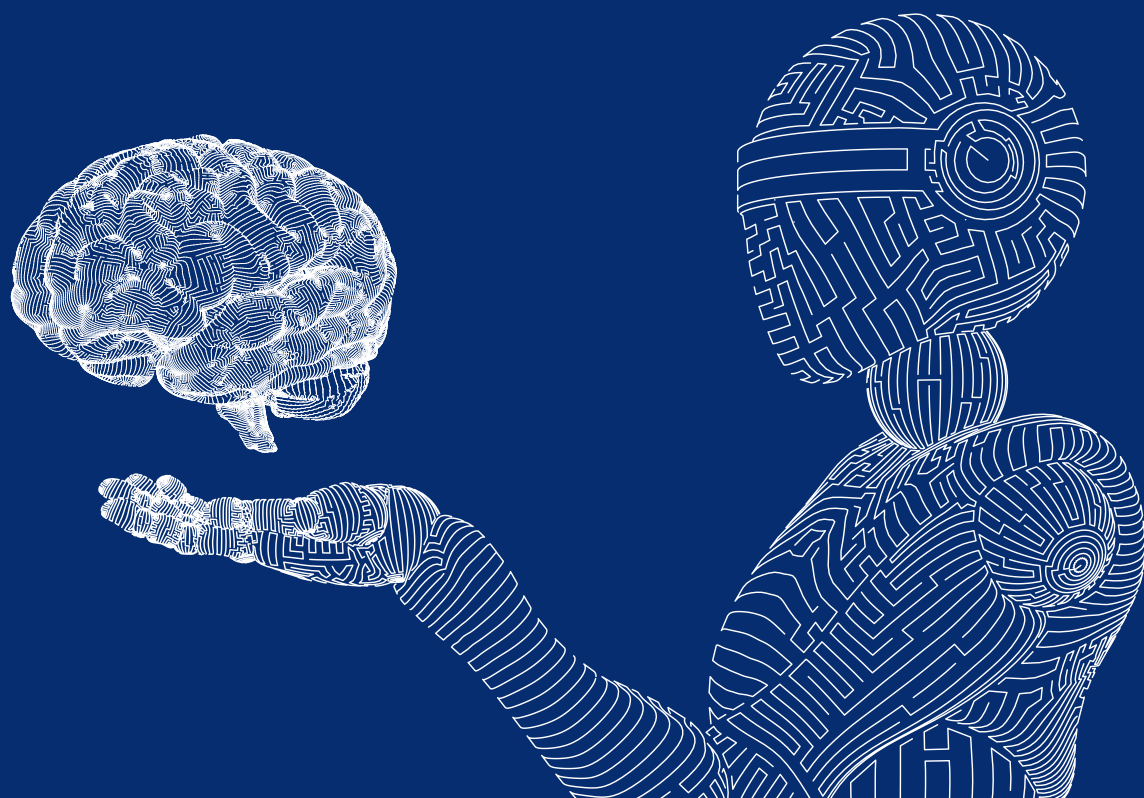


CORPORATE CULTURE OF A
TECHNOLOGICAL SPIN-OFF:
INFLUENCE ON THE
COMPANY'S INNOVATION
CULTURE

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Moscow, 2026

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List of Abbreviations

MTS JPSC - Mobile TeleSystems Public Joint Stock Company.

MWS - Mobile TeleSystems “Web Services”. Cloud Solutions.

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Abstract

The paper aims at investigating how the corporate culture of a technological spin-off can influence the innovation culture of its parent company. The topic addresses a gap in existing research, considering technological subsidiaries as means of business expansion, disregarding their cultural specifics' potential. However, several pre-conditions, indicating this potential have been identified within scientific literature and served the basement for research hypothesis formulation. Accordingly, a research hypothesis was aiming at that by setting technological spin-offs for business expansion purposes, companies can also benefit by innovation culture development through mutual interaction and optimizing the efforts towards fostering innovation maturity.

The paper concludes on the innovative nature of technological companies' corporate culture. Key barriers to innovation culture development and diffusion within the parent company were discussed, which served the limiting factors for technological spin-off's corporate culture influence further in the study. The interaction forms between parent company and its technological subsidiary were considered and based on them existing and potential mechanisms for cultural transfer from MWS to MTS PJSC were identified, including employee transitions, knowledge sharing, technological transfers, and the "contagion effect." including employee transitions, knowledge sharing, technological transfers, and the "contagion effect."

The schematic visualization of the approach of using technological spin-offs' corporate culture as a strategic instrument for fostering parent company's innovation culture was designed combining the results of the study into a cohesive organizational model.

Introduction

Corporations primarily focus on expanding their businesses along technological lines in the context of rapid technological and innovation development, with the purpose of meeting the current agenda, staying competitive and generating added value.

However, as an organization becomes larger by market capitalization it naturally develops standardized operational procedures, established hierarchy, bureaucracy and defensive organizational compartments. All of these elements are crucial to keep operating smoothly with low risk in an established market, while oppose each other when trying to encourage breakthroughs, trial and error and responsiveness at the same time. To cope with systemic inertia, modern industrial and telecom corporations tend to run corporate spin-off strategies in the form of independent or semiautonomous units (technological spin-offs) creation.

A number of studies have focused on these strategies, generally considering spin-offs as technology commercialization hubs, allowing the parent company to concentrate on its core business [Kroll & Liefner, 2008; Chesbrough, 2003; Clarysse et al., 2011; Hasenauer & Yu, 2024; Morais et al., 2021; Pinchot & Soltanifar, 2021, Vlasova & Roud, 2021, etc.].

In the context of the conventional management theory, the technological spin-off was largely considered from operational, financial or macro-economic activity perspective. They were traditionally described as technology commercialization units used to take advantage of R&D results by monetizing and maximizing them for the parent company. So the motivation for technological spin-offs' establishment is primarily associated with desire to exploit and commercialize R&D-knowledge obtained in the parent company, expand its market coverage, particularly when targeted technology market has little connection with main business direction [Veronica et al., 2020; Clarysse et al., 2011; Shane, 2004]. This separation on an operational basis creates two major benefits:

- (1) the central parent company can keep its mainline business out of the highly unstable and unpredictable high technology areas; and
- (2) it enables the realization of excess intellectual resources and labor capacity by exploring radical technological innovations beyond their present product range.

Concurrently, an independent stream of organizational sociology and entrepreneurship literature conceptualizes technological spin-offs from alternative angles. Previous research emphasizes the role of spin-offs as entrepreneurship-fostering platforms, allowing technological projects to progress in an environment free from the corporation's cultural and organizational constraints [Kroll & Liefner, 2008; Veronica et al., 2020;

Clarysse et al., 2011]. By detaching a very specific technological project from the routines and culture-based limitations of its parent corporation, the spin-off establishes itself as a perfect environment for innovation to thrive. Through technological spin-offs creation a conducive environment for innovation appears that draws people who are open toward experimenting and risk-taking [Kroll & Liefner, 2008; Meyer et al., 2020; Clarysse et al., 2011]. These findings demonstrate the existence of unique corporate culture features indicating the emerging elements of startup culture which are favorable to the development of technology and innovation within spin-offs.

Therefore an extensive gap is bound to arise between traditional, stable parent firm and fast-changing tech spinoff. Clarysse et al. (2011), Men et al. (2020) point out that corporate and innovation cultural difference may be emerging between parent firm and its technological spin-off reflecting basic cultural gap in newly formed organization. Reason is that innovation culture development inside an enterprise depends on many factors related to its corporate and organizational culture characteristics [Men et al., 2020; Clarysse et al., 2011]. At the same time, however, employees' motivation level — i.e., the degree to which an enterprise is capable of motivating its employees to perform their work and focus on attaining organizational goals [Kalogiannidis, 2021] — and the company's adoption of a technological mindset through the development of an innovative culture are crucial KPIs of business growth and technological progress.

Existing research typically views these subsidiaries through a single lens, focusing on their role as external diversification, marketing, or asset management tools [Soltanifar 2020; Hasenauer & Yu 2024]. Researchers have overlooked the possibility that subsidiaries could act as catalysts for backward-integration, potentially transforming the internal structure of the parent company [Macedo Morais et al., 2021]. Apart from the importance of a mature and innovative parent culture for successful spin-offs' establishment, the reverse scenario - where subsidiaries drive cultural change within the parent company - remains unexplored.

The question whether a technological spin-off's unique organizational culture may become a deliberate tool for shaping (stressing and culturally “cross-breeding”) the sluggish innovation culture of its parent company has barely been touched upon in scholarly works. That omission is becoming an expensive blind spot for today's business executives. It has been well established in the literature that creating a consistent companywide culture of innovation is one key component for success and enduring organization growth in today's technology age. But, it takes very few large corporations

with central authority to actually make that transformation happen across their organization.

Researchers have extensively studied the multifaceted relationships between technological spin-offs and their parent companies, exploring various perspectives [Hasenauer & Yu, 2024; Morais et al., 2021; Pinchot & Soltanifar, 2021]. These connections encompass a wide range of interactions, such as the exchange of knowledge, technology, and resources, as well as the movement of personnel between the two entities [Hasenauer & Yu, 2024; Pinchot & Soltanifar, 2021; Crespo et al., 2020]. These connections are mainly felt through company mentoring, access to industry resources, partnerships (between corporations and academia, research and development, etc.), and interdisciplinary team projects. This fosters synergy and collaboration. As a result, diverse spin-off technologies and their relationships with the parent company can be observed, influencing each other to some extent, creating opportunities for the spread of best practices across cultures. Large corporations frequently invest substantial sums in top-down consulting initiatives or internal directives designed to foster openness, flexibility, and employee creativity. However, these efforts are frequently rejected by the established corporate structure [Men et al., 2020].

The core rationale lies in deeply ingrained security protocols of established organizations: since people have limited flexibility in yearly/quarterly/performance KPIs tied to the survival of the enterprise, they have very little mental bandwidth and incentive for out-of-the-box experimentation. Also, staff tend to have ingrained risk aversion, profound anxiety about failure and a systemic resistance to innovations which may endanger their position in the company, working limits or job description [Men et al., 2020; Macedo Morais et al., 2021]. This internal inertia is then exacerbated by chronic “not invented here” syndrome - an interdepartmental inability to take on solutions, or incorporate operations from outside of the market place. Therefore, advanced companies are very good at progressive change inside established technologies, however they have great difficulty making changes which will make them obsolete in terms of their standard operating procedures, and capabilities.

Instead of treating technological spin-offs as simple product incubators, parent corporations can view them as platforms for cultural experimentation. The approach allows them to try flexible work practices and foster innovation without the constraints of corporate bureaucracy. Successful experiments can be integrated back into the main company in that case. Examining the distinct pathways through which these cultural practices spread, such as strategic human resource mobility, internal knowledge networks,

technological transfer, and localized structural influence, provides a practical approach to achieving this objective.

This study carries out in-depth qualitative case-studies of Mobile TeleSystems Public Joint Stock Company (MTS PJSC) and its business unit dedicated to high-tech solutions - MTS Web Services: Cloud Solutions (MWS). MTS PJSC is a typical large telecom provider in Russia. It has huge massified highly professionalized organization that includes many sub-divisions. As the leading operator in a commoditized and heavily regulated space, the classic telecom business of MTS has no choice but to focus on maximum reliability, legislative requirements, and ability to pay dividends rather than risky ventures.

Through examining the transfer of new technology innovations, resulting behavioral shifts, and established technological standards developed at MWS for constructing MTS PJSC levels, the key areas of focus, system limitations, and transformative elements that enable a tech company to evolve into a platform driving its parent company's technological advancement have been identified. The study **aims** to explore the technological spin-off's corporate culture and its influence on the company's innovation culture.

Chapter 1. Theoretical background

1.1 Technological spin-offs establishment and operation.

The technological spin-offs establishment issue is closely related to «parent organization» term. Parent corporation can be defined as the original company that creates a new independent entity in order to commercialize its R&D outputs [Scott, 2024]. This term will also appear as «company», «corporation», «parent corporation» and «parent company» further in the study. Therefore, technological spin-offs represent businesses emerging from parent entities, aimed at commercializing or developing specific technology-related products or services. This company type places major emphasis on research and development and new technical knowledge realization, therefore, substantially contributing to the economy's technological modernization [Clarysse et al., 2011; Scuotto et al., 2020; Kroll & Liefner, 2008]. Technological spin-offs might be focused on meeting company's internal demand for new technologies, be external market-oriented, or combine both business models. These ventures are characterized by high growth and survival rate and a high technology transfer degree into new markets [Fang & Xie, 2023]. According to Weiyu et al. (2022), an economic system consisting of large and small firms which interact through technology-related acquisitions and spin-offs is highly conducive to overall innovativeness and long-term growth.

Technological spin-offs themselves can be categorized depending on what legal body or organization they are spun off from [Dahlstrand, 1997]. The classification of Lindholm, (1994), subdivides spin-off companies into university, corporate and institutional ones. The two major sources of new high-technology entrepreneurs are high education institutions and well-established industrial firms, including high-tech ones. Within this paper's scope, corporate spin-off type will be considered.

1.1.1 Motivation behind technological spin-offs' establishment.

Corporation's resources must be cut-off when certain paths seem to be inconsistent with its internal strategy, even if potentially promising ones could be given additional resources to explore further development potential [Hasenauer & Yu, 2024; Scarrà & Piccaluga, 2022]. In cases of new technologies creation aimed at addressing nascent markets, this potential is fraught with high degree of both technical and market uncertainty. In such occasions, experimentation is most needed and prospective customers may be hardest to identify. That is where parent companies' internal resource allocation processes and organizational routines have been shown to frustrate the

effective experiments initiation [Scarrà & Piccaluga, 2022]. Thus, when innovative products or services are developed within a corporation but fall outside the main scope of its business goals and, therefore, are better suited for independent operations, a spin-off establishment takes place in order to maintain strategic coherence with the originating company's strategy [Morais et al., 2021].

Technological spin-offs transition is characterized as strategically beneficial in scientific literature, allowing the newly established company to innovate freely while still drawing on the parent company's legacy and expertise [Pinchot & Soltanifar, 2021]. This way a company spins off its potential as a source of radical innovations outside its existing product areas for external development purposes, streamlining its operations while still keeping the potential benefits from the innovations developed by its employees. Thus, technological spin-offs may provide a vehicle for the company to engage in promising new areas outside the direct, existing scope of the company, but with a potential future interest. In this case, the subsidiary separation may be also justified by the personnel reduction need, while not losing the human resource potential of the corporation as a whole [Scarrà & Piccaluga, 2022].

Operating as innovative technological products and services producers, spin-offs generate financial value and provide a viable equity investment opportunity for the company [Chesbrough, 2002]. Subsequently, beyond operating as novel technologies incubators, these ventures contribute to the parent organization's financial prosperity by generating independent revenue streams and increasing its overall market competitiveness. By establishing a separate entity dedicated to the commercialization of emerging technologies, parent company leverage R&D outputs' market potential without direct financial exposure to associated risks. Thus, spin-offs present attractive equity investment opportunities, either through direct financial backing from the parent company or by securing external venture capital. Over time, these entities could exploit the potential to grow into profitable businesses, leading to reintegration with the parent company, acquisition by industry leaders, or independent operations, enhancing shareholder value and reinforcing the original corporation's innovation ecosystem [Morais et al., 2021; Kroll & Liefner, 2008; Clarysse et al., 2011].

According to the cases considered by researchers in the field, technological spin-offs could be established as strategic partners, fulfilling specialized suppliers, dedicated customers or subcontractors roles within the parent company's supply chain [Sciarelli et al., 2021]. Such symbiotic affiliation allows the parent company to maintain access to critical innovations without the need for direct internal development, thereby optimizing

operational efficiency and resource allocation [Clarysse et al., 2011]. By outsourcing specific functions to spin-offs, corporations enhance flexibility, reduce production costs, and accelerate time-to-market for new technologies. For instance, establishing a spin-off specifically for proprietary technologies or software solutions intended for internal use development enables the parent company to access tailor-made innovations addressing its unique operational challenges. Internally focused spin-offs ensure the parent company to remain at the forefront of industry developments while minimizing the bureaucratic constraints often associated with in-house research and development. Furthermore, spin-offs could commercialize their innovations over time, expanding their market presence while still maintaining a preferential business relationship with their parent organization [Scarrà & Piccaluga, 2022].

As a result, all the motivational dimensions discussed in scientific papers can be summarized in the form of the following categories:

- strategic;
- operational;
- financial and resource-oriented;
- organizational and cultural.

The least discussed spin-off establishment reason in academic literature is related to the parent company's innovation culture development and reinforcement. At the same time, by creating an independent entity, parent companies can foster a more entrepreneurial mindset, encouraging innovation that might be constrained within the hierarchical structure of a corporation [Sciarelli et al., 2021]. Technological spin-offs act as an agile and experimental work culture adopters, free from the bureaucratic limitations that can slow down decision-making and innovation within the parent company. Therefore, the presence of technological spin-offs can serve the ground for a different management approaches and organizational practices that could later be reintegrated into the main corporation. This process requires further consideration due to its underrepresentation within existing research.

1.1.2 The interaction of technological spin-offs with parent corporations.

The interrelation between a technological spin-off and its parent company is considered by a number of researchers in the field from various perspectives [Hasenauer & Yu, 2024; Morais et al., 2021; Pinchot & Soltanifar, 2021; Gui et al., 2024; Arsawan et al., 2022]. The following aspects can be outlined regarding the cooperation between two entities.

Knowledge, information and resource transfer between two companies takes place as an aid of support provided to the spin-off, for instance, through mentorship practices [Clarysse et al., 2011; Scarrà & Piccaluga, 2022]. Physical assets as research facilities and personnel transfer is stated as an equally substantial contribution to the newly established firm [Clarysse et al., 2011]. Information and resource exchange also takes place as a result of companies' joint activities through diverse mechanisms, e.g., joint projects (business, educational, R&D, etc.), cross-functional teams operations, etc.

The second significant interaction aspect lies in the technological transfer taking place between technological spin-off and parent corporation when the latter, at least initially, result developing similar technology, but for different applications. In addition to technological developments, the parent company serves as a source of customer and supplier contacts and industry asset bodies to its newly established venture [Clarysse et al., 2011].

Mutual complementarity of the two companies from business strategy perspective allows to coordinate the parent's strategic interests effectively, having a positive impact on its profitability by investing in businesses related to their own [Chesbrough, 2002; Sciarelli et al., 2021].

However, disagreements on cultural basis also need to be mentioned. Spin-offs governance structures, operating in a highly uncertain environment, must promote experimentation and adaptation in order to act effectively and unlock technological latent value. These practices result to conflict with the structures intended to manage coordination with the parent firm's complementary assets within established business practices [Chesbrough, 2003].

Regarding the cultural side of the two companies' coexistence, two more aspects should be considered. Firstly, a sufficiently-developed parent company's innovation culture is crucial for spin-offs' emergence and establishment. When employees are encouraged to think creatively and pursue new ideas, they are more likely to develop technologies that can be spun-off into new companies. Secondly, a spin-off establishment itself can serve as a vehicle for spurring growth and entrepreneurial initiative within the firm [Chesbrough, 2002]. In addition to raising the overall innovation maturity level of the company's ecosystem as a whole, the issue of boosting the innovation culture of the parent company is also worth consideration.

Understanding various aspects of the interaction between parent company and its technological spin-off provides insights of possible channels for subsequent information and human resources transfer in the context of corporate and innovation cultures

complementation. These channels can be subsequently considered as mechanisms through which cultural practices are transferred from technological spin-off and get established in the parent company's innovation culture.

1.2 Technological spin-off' corporate culture.

Corporate culture represents an HR-related term, encompassing the shared values, beliefs, and behaviors, shaping how employees interact and conduct business within an organization [Kotter & Heskett, 2008; Gorton et al., 2022]. It results to play a crucial role in a company's identity definition, influencing its operational efficiency, employee satisfaction, and overall business success. Understanding corporate culture is essential for effective management and strategic development [Kotter & Heskett, 2008]. According to "Quantum Workplace" consulting agency, up to 70% of managers and employees believe that culture is more important to business success than strategy, operational and organizational factors [Quantum Workplace, 2025]. With regard to technological spin-offs, such entities tend to demonstrate outstanding corporate cultures, worth further in-depth research and analysis. The main common corporate culture traits discussed within scientific literature include involvement, collaboration and teamwork, leadership, mission, consistency and adaptability (agility) [Graham et al., 2022]. This elements will be further considered in detail.

Under the involvement element companies are built around teams, human capability is developed at all levels. Executives, managers and employees are committed to their work and feel «owners» for their part of the company, increasing the opportunity and significance of each individual's personal contribution to the company. [Graham et al., 2022]. Employees at all levels contribute to decisions affecting their work, which is directly connected to organizational goals, forming an ecosystem interested in the common success and prosperity.

Collaboration and teamwork requires cross-teams and cross-department cooperation, connecting people under common vision and goals and creating value through joint projects [Flamholtz & Randle, 2020]. Organizational mission is characterized with a clear sense of purpose and direction that defines company's goals and objectives, and expresses a vision on how it will look in the future, which is shared and maintained at all levels. When a company's underlying mission changes, changes also occur in other corporate culture aspects [Graham et al., 2022].

Well-integrated companies are most difficult to change, as internal integration and external adaptation results to be at odds. Adaptable organizations are customer-driven, having a capability and experience in creating change. Such companies are continuously

changing the system, improving internal environment and external strategies to provide value both for internal and external customers [Flamholtz & Randle, 2020].

Corporate culture implies a top-down mechanism of values and behavioral patterns transition and dissemination. It makes the leadership factor a decisive one on the nature of the emerging and consolidating corporate culture within a company. Leader's personal traits, values and ambitions not only influence decisively the company's development direction, but also extend to the vision, behavior and working manner shared at the subordinate level.

Finally, a strong corporate culture is highly consistent, well-coordinated and well-integrated. The set of behaviors established is rooted in core values [Graham et al., 2022]. This consistency type results a source of stability and internal integration coming from a common mindset and a high conformity degree.

Company and industry-related specifics result to reflect on the corporate culture development dimension. Operation under a dynamic and uncertain environment encourages technological spin-offs to become more adaptable and flexible in their business processes, challenging a more structured and risk-averse approach. Currently technological spin-offs become one of the major sources of innovations for companies as they provide new technologies, invent innovative products and reinvent business models [Kwiatkowski, 2016]. Therefore, such entities' corporate culture undergoes modifications due to the need of fostering a creative, risk-taking and proactive mindset among employees, encouraging them to think unconventionally and propose innovative solutions [Men et al., 2020]. Since the 1980s, the presence of such culture has become a dominant factor that explains why some organizations are more successful than others in terms of sustaining innovation [Men et al., 2020]. The specifics of spin-offs' corporate culture will be discussed in more detail in the main part of the paper within the framework of the first research question, as the issue has not been addressed properly in scientific literature.

1.3 Parent company's innovation culture.

Innovation culture refers to the shared values, beliefs, attitudes, and behaviors within corporation that promote and support innovation [Weiblen & Chesbrough, 2015]. Within the current research paper scope, this term is going to be related to parent corporation, representing a broader concept with regard to «corporate culture» in a broader company type. Innovation culture, broadly defined, implies a working environment that stimulates employees to share creative ideas and solutions. It makes innovative thinking naturally occur within the organization and promotes innovation among all-level employees. It

involves the common mindset, practices, and processes that encourage and enable individuals and teams to generate and implement new ideas, products, services, or processes. Innovation culture is considered one of the key drivers of organizational success and competitiveness in a current rapidly changing and disruptive business landscape.

1.3.1 Innovation culture elements and characteristics.

Mission, learning, involvement, agility and openness are considered the main elements of innovation culture. Within these elements, sub-elements are described in the following way.

The mission component comprises shared values, strategy, and beliefs, whereby every employee understands and supports the company's overarching purpose and business direction — a shared understanding that proves fundamental to organizational success [Roud & Vlasova, 2021]. Future orientation under this element pushes organizations not only to focus at immediate goals, but also to plan strategically for technological evolution and market change awareness and seizure. In terms of learning, the focus on culture where knowledge sharing is not only encouraged but systematically supported is stimulated and maintained [Gui et al., 2024; Arsawan et al., 2022]. Companies implement regular workshops, mentorship programs and digital platforms enabling employees to exchange experience, ideas and best practices. Additionally, fostering a strong learning orientation means that organizations continuously invest in training and development, ensuring that employees are equipped to adapt to new challenges and technologies through experimentation and feedback.

The involvement component is highlighted with the importance of teamwork and participative decision-making [Roud & Vlasova, 2021]. When employees are actively engaged in shaping projects direction, they create and share diverse perspectives leading to innovative solutions. For instance, special software tools, brainstorming sessions or innovation labs, where employees are offered to contribute ideas, are arranged by many corporations recently (“Sber”, “MTS”, “Gazpromneft”, etc.). This involvement is further reinforced by robust reward systems that recognize creative contributions and exceptional performance, thereby cultivating a sense of commitment and involvement among employees.

Leadership as the last involvement sub-element stands at the forefront of organization’s innovation culture, serving the catalyst reinforcing or drowning all other sub-elements discussed [Gui et al., 2024; Su et al., 2025]. The introduction of a leader with the right vision and competencies, including innovation-oriented mindset, would be followed by

further empowerment of appropriate specialists at lower levels. Leadership as one of the key aspects points to the importance of innovative thinking and creativity, generating “big ideas” to create breakthrough solutions for new products and services.

The following openness component is characterized by free information flow both within the organization and with external partners [Latif et al., 2025]. Open communication channels are used to build trust and ensure that everyone is aligned with the company’s innovation goals and development strategy. Internally, fostering an entrepreneurial spirit encourages employees to initiate projects and explore new business ideas, which can be further developed as separate entities in the form of technological spin-offs or become an internal product or service. Externally, partnerships with research institutions, industrial partners or other market actors can be organized aimed at new insights or facilitation of innovation development and implementation.

Finally, the agility element requires empowering employees with autonomy to make independent decisions, decentralizing decision-making procedures, allowing teams to pivot quickly when opportunities or challenges arise [Le & Ha, 2024]. A practical example of agility is a startup environment where resource allocation can be adjusted «on the fly» to support emerging projects, ensuring that innovative ideas are developed and implemented without bureaucratic delays.

Together, these elements and their sub-components form a comprehensive framework that enables organizations to build a robust innovation culture, one that not only adapts to change but also proactively drives progress in an increasingly competitive and dynamic business landscape. The scheme demonstrating the set of corporate and innovation culture elements and sub-elements discussed is demonstrated in Table 1.

Table 1: Corporate and innovation culture elements and sub-elements.

Corporate culture elements	Innovation culture elements	Innovation culture sub-elements
Mission	Mission	shared values, strategy, beliefs; future orientation
-	Learning	knowledge sharing, digitalization; learning orientation
Involvement, Teamwork and collaboration, Leadership	Involvement	teamwork and collaboration, participating decision-making; creativity; reward system; employee commitment; leadership

Agility	Agility	empowerment and autonomy; resource allocation
-	Openness	open communication; internal entrepreneurship; external search; external cooperation

Source: Composed by the author based on Roud & Vlasova, 2021; Kotter & Heskett, 2008; Gorton, et al., 2022.

A certain level of interconnection can be observed within previously highlighted elements of both companies' internal culture types. It can be seen that «innovation culture» represents the broader concept with regard to «corporate culture», as it encompasses corporate culture elements among others, influencing company's innovation maturity [Wang et al., 2021; ISSEK, 2024]. Corporate culture elements considered, such as involvement, collaboration and teamwork, leadership, mission and agility are reflected within innovation culture components strengthened and modified to fit innovation-oriented practices. However, since the innovative company's objectives become more complex in nature, the innovation culture is broader, incorporating novel aspects (learning, openness, etc.) required for more complicated and challenging objectives to be addressed. In the context of innovation maturity, corporate culture is aimed at stimulating the generation and implementation of innovations, in particular by creating conditions for individual creativity and outstanding performance, combined with appropriate psychological factors and a well-developed knowledge management system. Thus, a conclusion on the direct influence of corporate culture on the company's innovation climate can be drawn: the corporate culture factor, if properly developed, has the potential to positively influence the innovation maturity of the company. Therefore, a dynamic interplay between two cultures can lead to a bidirectional exchange of values and practices within entities. This correlation sets the ground for previously unconsidered potential of technological spin-offs' corporate culture to influence corporation's innovation culture characteristics' and degree of development.

1.3.2 Parent company's innovation culture development challenges.

In terms of practical cases of innovation culture development, the larger the company, the more rigid it is, the more complex its decision-making, and innovation takes a back seat to ordinary business. As a result, corporations typically prioritize less the development of innovation culture, significantly reducing their innovation capabilities and competitiveness [Men et al., 2020]. Moreover, specific corporate culture and corporate strategic management features result serious barriers to innovation culture development,

hindering the generation and implementation of novel products, services and processes, even if they are close to core business.

Features of corporate organizational management negatively influencing innovation culture include rigid operational processes and hierarchical structures, bureaucracy, organizational complexity, silos and departmentalization. Organizational boundaries of corporations should be flexible enough to encourage information sharing both across departments and with external partners, necessary for company's dynamic development, but defined enough to coordinate entrepreneurial behavior across the organization [Rigtering & Behrens, 2021]. It is crucial to strengthen the communication structure and form a tradition of informal communication, which is often the most powerful tool in terms of its impact on the company's performance, in addition to the formal means of communication prevailing in corporations [Kwiatkowski, 2016].

Another reason for the lack of innovation culture in corporations is related to employees not perceiving innovation as a positive aspect. Corporate employees tend to lack the incentive to think and act outside of their immediate job responsibilities, compromising their personal well-being, status in the company and job stability, regardless of the common positive long-term consequences [Bannerjee et al., 2016]. Employees may feel threatened by innovations that may result changing their role in corporation or affect their actual position and projects. Risk aversion and fear of failure slows down decision-making. In addition, corporations are frequently unwilling to adopt or integrate innovations or solutions developed in the external environment. This mindset often stems from the belief that organization was and is successful in the market and thus better equipped to create own solutions or that externally sourced ideas may not align with the company's culture or goals.

As a result, corporate innovation culture is restricted by risk aversion and fear of failure, lack of a unified corporate view of innovation, lack of divergent thinking and experimentation, ineffective internal communication in the context of discussing new ideas, lack of openness of managers to new ideas and innovations and negative approach to change [Kwiatkowski, 2016; Bannerjee et al., 2016]. Therefore, corporations are often better than newcomers at incremental innovation within existing technologies, but are highly resistant to disruptive technologies making their existing competencies and standards obsolete. The state of affairs described indicates the need to find solutions to overcome the barriers and find novel alternative instruments for innovation culture development in corporations.

1.3.3 Innovation culture development factors and instruments.

Fostering innovation culture within parent corporation requires lasting efforts that encompasses various mechanisms, such as leadership support, structural incentives, cross-functional collaboration, employee training, reward system, etc. [Arsawan et al., 2022; Fuad et al., 2022].

Leadership results pivotal in establishing appropriate environment, resources allocation, and innovative efforts stimulation. Structural mechanisms such as cross-functional teams and joint projects realization promote the basement for knowledge sharing between corporations and organizations, enabling the communication of new values, practices and business processes [Arsawan et al., 2022]. Additionally, leveraging external networks, such as partnerships with startups, academia, and industry consortia enhances new ideas flow and technological advancements, ensuring sustained corporate innovation opportunities.

Incentive structures and reward system, including performance-based rewards, intrapreneurial programs, and opportunities for career advancement, motivate employees to engage in innovative thinking. Apart from leadership-based top-down approach, lower level employees could also become cultural influencers, acting as alternative practices coming from another cultural environment holders [Fuad et al., 2022]. This way, employee exchange procedures would become a catalyst for innovation- and entrepreneurial-oriented practices development. The mechanisms described will be subsequently considered as possible channels for transferring technological spin-offs' corporate culture elements into corporate innovation culture with the purpose of parent company's innovation maturity reinforcement.

To conclude, apart from the possibility of the emergence of spin-off's unique corporate culture in line with innovative and entrepreneurial spirit development, the specificity of such culture in comparison to corporations' one in detail, covering its distinctive elements, factors and characteristics is not clear. Little attention has been given in literature to the interaction between a corporation and its technological spin-off exactly from corporate and innovation culture perspective. In particular, the question of whether spin-off's corporate culture may influence the innovation culture within the parent corporation, apart from possible interaction challenges between two companies based on the cultural differences, is not considered in academic publications. Accordingly, the impact of technological spin-off corporate culture on parent company's innovation culture and its possibility of becoming an instrument of innovation culture fostering appears **the research gap which the paper addresses.**

Innovation culture within corporations has proven to be quite difficult to implement [Men et al., 2020; Clarysse, Wright & Van de Velde, 2011]. Such difficulty is observed even when careful attention is paid to fostering an open environment to change, encouraging creative thinking and providing resources for knowledge sharing and experimentation [Rigtering & Behrens, 2021; Men et al., 2020]. According to Men et al. (2020) the absence of innovation culture elements forms an environment resistant to innovation and change, hindering corporation's growth. Thus, in order to succeed in technological directions, it is crucial to foster innovation culture within a parent company, forming a favorable ground for changes to take place [Weiblen & Chesbrough, 2015].

Technological spin-offs have been pursued as means of business expansion, serving an instrument for companies to explore new markets or focus on niche areas. At the same time, the potential of spin-offs could extend beyond financial growth and market penetration, representing an opportunity to boost innovation culture within parent company via its own specific corporate culture characteristics [Kroll & Liefner, 2008; Chesbrough, 2003; Clarysse et al., 2011; Morais et. al., 2021; Pinchot & Soltanifar, 2021; etc.].

The cases of knowledge, information, technology and employee transfer between a parent corporation and its technological spin-off have been documented, as the two entities mainly remain in close interaction with each other [Hasenauer & Yu, 2024; Morais et al., 2021; Pinchot & Soltanifar, 2021]. Moreover, the inter-element complementarity of corporate and innovation cultures can be observed due to the existence of corporate culture elements within innovation one in a reinforced and modified version in order to fit more complex innovation-oriented practices within a company [ISSEK HSE, 2024]. This dynamic makes it possible to assume that by setting technological spin-offs for business expansion purposes, companies can also benefit by innovation culture development through mutual interaction, optimizing the efforts towards fostering innovation maturity. However, the approach of technological spin-offs establishment is out of parent companies' innovation culture agenda and has not been considered as one of strategic instruments of innovation culture development in scientific literature yet.

The problem stated is relevant as it hinders the innovation development and implementation in corporations, which could not only become a competitive advantage driver, but also results essential for long-term survival. In addition to spin-offs untapped potential unlocking, addressing the problem described creates an opportunity to combine parent company's cultural and technological strategies. While companies consider innovation culture and technological advancement as separate objectives, a dual-purpose

strategy that optimizes resource allocation aligning technological growth with cultural transformation, representing an unrealized opportunity at this point in time, can be developed.

Based on the literature review the following research questions are formulated:

1. What are the distinct characteristics of technological spin-off's corporate culture?
2. How does technological spin-off's corporate culture influence companies' innovation culture?
3. If the influence is positive, what are the rationale and mechanisms of using technological spin-offs' corporate culture as a strategic instrument for fostering parent company's innovation culture?

The paper succeeds as follows. First the methodology is described followed by findings presentation. The paper concludes with discussion and conclusions.

Chapter 2. Methodology and Approach

2.1 Methodology description

In order to fulfill the research objectives, the case study approach is used, which contributes to detailed understanding of the phenomenon under study.

The case for the analysis is a corporation, operating technological spin-off(s) within its structure for a determined period of time. The choice of the corporation is based on the open-source data analysis following predetermined criteria. The criteria developed are based on research questions and specifics of the information and insights needed to be obtained as a result of the research.

The following guide navigates the selection of parent corporation and its technological spin-off for further analysis in order to ensure the relevance and depth of the case study approach for the research. By adhering to these criteria, the case selected provides comprehensive and insightful data for analyzing the relationship between technological spin-offs' corporate culture and the innovation culture of parent companies.

1. Organizational criteria.

1.1 Parent company:

- a well-established corporation with a significant presence in the industry;
- innovation-driven objectives or strategic focus on technological development;
- operation of a technological spin-off within its structure.

1.2 Technological spin-off:

- independent or semi-independent operation while maintaining ties with the parent corporation;
- market presence for a sufficient period of time (from 3–5 years) to make it possible for the impacts under consideration to be observable.

2. Interaction between parent company and technological spin-off. Evidence of ongoing interaction between the parent corporation and the spin-off, such as resource sharing, knowledge transfer, employee exchange, etc.

3. Accessibility of data:

- open primary and secondary data availability;
- access to respondents for the interview among the parent company's employees.

4. Practical and strategic relevance. Potential of practical impact on industry practices.
Companies operating in industries, where innovation culture is critical for competitiveness and growth.

Semi-structured expert interviews were conducted in order to obtain unique, detailed information and individual expert interpretations not available from other sources and crucial to answer research questions of the study. The interview consists of open-ended questions based on preliminary research and literature review. In order to address the questions from different perspectives, respondents are drawn from parent corporation and its technological spin-off, chosen as research cases. The representatives are asked questions related to the research questions and goals; the data gathered is analyzed through thematic analysis using coding procedure. Research questions linked with data sources used in order to address them in a comprehensive way are presented in Table 1. These sources help to become familiar with the research subject, identify key trends and issues and formulate valid questions for follow-up interviews.

Table 2: Data sources needed to address research questions of the study.

Research question	Information and data source
RQ 1: What are the distinct characteristics of technological spin-off's corporate culture?	Interviews (questions block 1), official websites, reports, discussions
RQ 2: How does technological spin-off's corporate culture influence companies' innovation culture?	Interviews (questions block 2), mass media, discussions
RQ 3: If the influence is positive, what are the rationale and mechanisms of using technological spin-offs' corporate culture as a strategic instrument for fostering parent company's innovation culture?	Interviews (questions block 3), reports, expert conference speeches

Source: composed by the author.

The first research question addresses technological spin-off's corporate culture specifics, which can be reflected and mentioned in company's official websites and reports, or appear in mass-media, corporate or scientific discussions as specific cases. Technological spin-offs usually demonstrate their corporate culture achievements publicly as a crucial factor of company's innovation and technological success. In order to enrich the information obtained from open sources interview guide's questions block 1 is designed in order to answer the 1st research question. The 2nd question stated in the paper addresses

the influence of technological spin-off's corporate culture on companies' innovation culture. Some data on the issue can potentially appear in mass media and various open discussions, while considering these two company types' interrelations. However, not much information on such influence is expected to be found in open sources, that is why interview guide's questions block two serves the basement for data collection on the second question stated. The basement for rationale and mechanisms of using technological spin-offs' corporate culture as a strategic instrument for fostering parent company's innovation culture can be partially formed with official reports or expert conference speeches on the topic of corporate innovation culture development cases and instruments. However, this research question requires deeper expert insights, which are obtained during the interviews. The final list of secondary data sources comprises the following titles:

1. MTS PJSC official website;
2. MTS Web Services official website;
3. MTS Group Sustainability Report 2023
4. Official pages of MTS and MWS in social networks (VK, YouTube);
5. Publicly available interviews of the companies' representatives;
6. Relevant and publications about the company presented on third-party platforms (Forbes, CNews, TAdvisor, Vedomsti, etc.);
7. Public records of expert events held at the National Research University Higher School of Economics with representatives of companies on relevant topics (Yasinskaya (April) International Research Conference 2024 and 2025, round tables within the framework of research projects).

2.2 Case structure

The information gathered for the analysis should be properly selected and organized in order to maintain the right research process path. The following case structure was composed, enabling to apply a systematic approach to data gathering and analysis, setting a ground for addressing the research questions and objectives. The narrative presented in the next chapter will keep to the following structure.

1. Parent company's innovation culture:
 - innovation culture elements' characteristics within the parent company;
 - innovation culture-related challenges in the company.
2. Technological spin-off's corporate culture:
 - technological spin-off's corporate culture features;

- comparison of technological spin-off's corporate culture and parent company's innovation culture elements' characteristics;
- potential cultural convergence between parent company and its technological spin-off.

3. Influence of technological spin-off's corporate culture on companies' innovation culture:

- mechanisms for technological spin-offs' cultural characteristics' transition to parent company
- impact and influence of spin-off technological practices on the parent company's innovation culture.

2. Technological spin-off as a strategic instrument for fostering parent company's innovation culture (rationale, instruments mechanisms).

2.3 Respondents overview

The research stage of data collection represented by expert interviews requires prior respondents' selection. According to research aim and research questions stated, the interviewees selection must include experts and specialists directly related to technological spin-off corporate culture and parent company's innovation culture development issues and aware of these two companies' interrelation specifics. In addition, qualifications, seniority and experience were also taken into account.

Experts from two sides related to the phenomenon under study were taken as respondents: Russian corporation and its spin-off, chosen as a research case. Firstly, innovation culture-related departments' managers (HR managers and innovative projects departments) from parent corporation were interviewed. Such experts obtain a deep understanding of the mechanisms, barriers, specifics and possible ways of innovation culture development.

Secondly, technological spin-off's representatives on corporate culture development-related positions answered the questions and shared their insights on their company's cultural specifics and development potential. The respondents choice approach described contributes to comprehensive conclusions on the research questions. The final list of respondents is considered in Table 1.

Table 3: List of interviewees.

Interviewee number	City of residence	Name of the company	Department	Position
Parent Company				

1	Moscow	«MTS» PJSC	Voice ecosystem department	Manager
2	Moscow	«MTS» PJSC	Data safety and quality department	Manager
3	Moscow	«MTS» PJSC	HR Department	HR director
Technological spin-off				
4	Moscow	«MTS Web Services. Cloud Solutions»	Management for technological development	Advisor to the vice-president of technology
5	Moscow	«MTS Web Services. Cloud Solutions»	Directions for finding and generating initiatives	Manager
6	Moscow	«MTS Web Services. Cloud Solutions»	Personnel Development and Training Center of MTS Web Services	Head of Educational Initiatives
7	Moscow	«MTS Web Services. Cloud Solutions»	HR Department	HR director

Source: composed by the author.

2.4 Interview guide.

The interview guide is structured in 3 blocks according to the research questions. The interview starts with general information about the interviewee, e.g. the role of the respondent in the company, his/her experience and relationship to culture-related initiatives.

The first block is related to technological spin-offs' corporate culture and parent company's innovation culture specifics, and varies according to the respondent's employing company type, referring his/her expertise scope. Respondent's attention is also paid to the difference between technological spin-off's corporate culture and parent company's innovation culture.

The second interview questions block covers the interaction between spin-off and parent company and the influence of technological spin-off corporate culture on parent company's innovation culture. Within the last research questions block expert opinion on

strategic use of spin-off corporate culture, its mechanisms and benefits is gathered. In the third block experts are asked about additional thoughts on the issue.

The interview guide fits all the respondent groups and enables all the necessary information to be obtained to develop relevant conclusions for the study.

2.5. Coding and results interpretation.

The information collected through the interviews is systematized in the form of a narrative that reflected consensus and dissenting opinions. All interviews with selected respondents were tape-recorded for later analysis of the information obtained with the awareness and permission of the respondents. Subsequently, the audio of the interviews is processed through transcription procedure for further coding procedure analysis. The coding system is formed and used to conduct thematic data analysis procedure. The main trends and patterns are identified, on the basis of which conclusions are formulated in relation to the research questions and objectives.

Concept-based codes and sub-codes designed for analysis procedure and their definitions are presented in Table 3. The following chapter will consider the interview results analysis and a discussion of the findings obtained. The full table with codes' description is provided in Annex 2. The codifier presented is developed based on the research questions and the questions designed accordingly for the interview guide. As for the sub-codes related to parent company's innovation culture and technological spin-off's corporate culture, these are synthesized from the literature review and subsequently modified according to the information obtained in the course of the research and are presented in the third chapter of the paper.

Table 4: Coding glossary.

Number of code	Name of code	Name of sub-code
1	Parent company's innovation culture	Mission, Learning, Involvement, Agility, Openness
2	Technological spin-off's corporate culture	Mission, Involvement, Consistency and adaptability (agility), Collaboration and teamwork, Leadership, Other
3	The difference between technological spin-off's corporate culture and parent company's innovation culture	

4	Technological spin-off and parent company's interaction forms as potential cultural practices exchange instruments	Employee transition; Knowledge, information, industry asset and resource transfer; Joint activities (joint projects, cross-functional teams operations, etc.); Technological transfer; Educational incentives; Other
5	The influence of technological spin-off's corporate culture on companies' innovation culture	
6	Technological spin-off's corporate culture as a strategic influence of parent company's innovation culture development	Possibility and rationale of using technological spin-off's corporate culture as a strategic instrument; The mechanisms of a strategic tool

Source: composed by the author.

Chapter 3. Findings

The results of the research and their interpretations are presented in the following paragraphs.

3.1. Case selection procedure results.

The company selected for the study is Mobile TeleSystems Public Joint Stock Company (MTS PJSC / MTS / PJSC) and its technological spin-off “MTS Web Services. Cloud Solutions” (MWS). This corporation represents an appropriate case in the context of innovation maturity development among Russian companies. MTS occupies a leading position by qualitative innovation maturity factors development value, including innovation culture [ISSEK HSE, 2024]. This fact indicates a decent company's innovation culture development level, allowing it to be considered within the framework of the elements predetermined in scientific literature and described in the chapter 1.3.1 of the paper.

As a parent company, MTS PJSC's main business vertical will be considered, where traditional telecommunication assets (B2B, MTS Link, Exolve, infrastructure) and retail business are concentrated. Technological spin-off - MTS Web Services. Cloud Solutions - an independent structure, encompassing corporation's IT divisions (IT Block, MTS Cloud, data centers, MTS Digital, Big Data, AI and VisionLabs, as well as innovation and cybersecurity assets) according to the parent company's restructuring plans for 2025). It constitutes a part of MTS Ecosystem Group, additionally including Fintech, Media holding, AdTech and Yourent. According to the organizational transformation plan, MWS will turn into an independent IT market player, a single technology company combining AI technologies, big data and cloud services - responsible teams within one entity. In view of the large-scale ongoing transformation process, from April 2025, the spin-off is represented with a virtual business unit, whose employees are united by a common strategy, management, P&L and goal setting of the MTS Group.

Confirming the relevance of the case selected, MTS PJSC and its technological spin-off MTS Web Services meet the previously defined selection criteria. MTS PJSC represents a leading company in Russia in the field of mobile and fixed communication services, in addition providing data transmission and Internet access, cable and satellite TV broadcasting; digital services, including fintech, media, and mobile applications, IT solutions in the field of communication platforms, Internet of Things, automation, monitoring, data processing, cloud computing and information security.

According to a T-investments analytical review¹, as of 2024, MTS acts the leader among country's key mobile communication providers with a 33% market share. According to ONSIDE research², as of 2024 and the first 6 months of 2024, MTS has also become the B2B telecom leader in the IoT and Private LTE segments, providing 41% of the total volume of connections in the M2M/IoT market among mobile operators, accounting for about 40% of revenue. The company has been operating since 1993, which could be considered as a significant period of time, indicating its established market role. Currently, MTS Group operates more than 60 thousand employees (8 thousands of them work remotely) and more than 20 subsidiary legal entities [MTS, 2025].

According to the company's leaders' statements and official documents available, since 2021, MTS experiences process operational reorganization, as well as technological and innovative transformation. An essential part of such transformation implies the innovation culture transformation aspect [ISSEK HSE, 2024].

The origin of MTS PJSC's technological transformation is associated with the launch of MTS Web Services in 2021, highlighting its role in parent company's innovative development [Forbes, 2023; Vedomosti, 2025]. The approach proposed for consideration in this paper may result a part of MTS PJSC's technological transformation or potentially become its operational tool. It makes this particular case's consideration increasingly relevant and valuable to answer the research questions raised. Therefore, the practical and strategic relevance of the approach under development and its application potential on company's operations are substantiated.

MTS PJSC incorporates more than 20 subsidiary legal entities [MTS, 2025]. The MWS division selected for the study has a sufficient level of independence, representing a self-sufficient separate structure. This fact determines the possibility of an alternative corporate culture development unit-wide. At the same time, despite remainings in a separation process from parent entity as a technological vertical, MWS maintains a sufficient level of organizational synergy with the headquarter structure. The synergy existed determines the presence of strong enough ties between parent and subsidiary entities to be considered as interaction forms, which will be subsequently evaluated as potential mechanisms for cultural and innovative practices transferring. A 5-year market

¹ Overview of the telecom industry in Russia. Analytical review (2025). URL: <https://www.tbank.ru/invest/social/profile/T-Investments/15b8f670-8d28-4993-9973-0a54f89e981b/?author=profile> (last accessed 3.08.26)

² MTS has become a B2B telecom leader in the IoT and Private LTE segments (2024). MTS official website. URL: <https://moskva.mts.ru/about/media-centr/soobshheniya-kompanii/novosti-mts-v-rossii-i-mire/2024-08-30/mts-stala-liderom-b2b-telekoma-v-segmentah-iot-i-private-lte> (last accessed 3.08.26)

presence of a spin-off makes it possible for the impacts under consideration to be observable.

Due to the specifics of the IT-vertical represented by MWS, PJSC appears not to be a classical managing company: it is disconnected from the decision-making process on most its subsidiaries. Thus, MTS is not involved in product development and other IT-specific aspects. At the same time, the connection between companies at the high level is preserved, so that strategic vectors are calibrated by the CEO with the MTS management. Also, the interconnection between the parent company and its spin-off is maintained due to the interaction of employees within the framework of common ecosystem portals, including educational ones, providing the possibility of mutual employee transition from the parent company to the spin-off and back.

MTS represents an ecosystem where all existing and newly created elements are interconnected. On the other hand, each element is developed as quickly and independently as possible [MTS, 2025]. Therefore, MWS as a technological spin-off meets the criteria on independent or semi-independent operations while maintaining ties with the parent corporation.

3.2. Case study findings.

3.2.1. Parent company's innovation culture.

Innovation culture elements' characteristics within the parent company.

MTS PJSC innovation culture development level was characterized based on the data obtained from expert interviews,. Additional elements were also supplemented to the initial classification.

Mission. The general strategy of the company group, its development direction and complementary values are established at the parent company (MTS PJSC) level and transmitted to all subsidiaries and departments through various tools. For instance, e-mail newsletters, official Internet resources and corporate digital platforms publications, etc., MTS mission is reflected in "Client Lifetime Value", aimed at creating a better client experience through advanced technological products and services. Respondent 5 emphasized "for us, the mission consists in creating technologies and digital products to help people to see more around them". The company values constitute the following aspects: 'More than work', 'About the customer', 'Quick to the point', 'Take action', 'Make it cool' and 'We are together'. Considering innovation culture, it makes sense to emphasize the "make it cool" value, which encourages exploring the market and innovations within it, not being afraid to make mistakes and run experiments. A quite

ambitious formulation which only partially corresponds to the company's practical organizational specifics. For instance, a mistake tolerance aspect results controversial within the corporation due to its primary need for ensuring consistency and reliability, which has been highlighted by a number of experts. Therefore, although the company's mission is related to the creation of advanced technological products, the main focus lies on a market-driven customer-centered business approach refinement and a highly productive environment development. Enhanced productivity aimed is related to routine operational activities and does not directly correlate with the stimulation of employee innovative performance. Besides, not all values are supported by practical mechanisms and tools, ensuring their realization in the company.

Learning. Employee training came out to be an integral part of the company's innovation culture and overall HR strategy, and the budget for employee education is allocated annually in both parent company and its subsidiaries. The leaning aspect toolkit combines a set of educational platforms, programs and approaches to personnel development. “Employee training is quite a common practice, we have a corporate university, lectures, workshops, and it is both a mandatory and voluntary part of work, employees choose their own tracks, their skills. Digital platforms are actively used for these purposes” - Respondent 3.

Corporate university appears to be the main educational tool in the company, which includes a significant base of free courses, training videos, practices, book articles, a reading club and other materials and educational formats, aimed at soft and hard skills development and improvement. Three main training formats used are online trainings/workshops, online workshops to practice applied skills, and offline workshops [MTS, 2023]. Over the year, 449 events were held, involving more than 16,000 employees of the company. The online coverage of the corporate university platform amounted to 99% [MTS, 2023]. Company’s educational programs are divided into mandatory (for instance, on Agile, Kanban, etc.), individual educational tracks, which employees choose themselves, including those giving the possibility of subsequent position change and those initiated by the manager. Educational practices are digitalized through such instruments as the “Link” platform, corporate educational portal, and mobile application.

In addition to middle-level employee education and training, high level management positions are also addressed by educational incentives, as well top management. “For CEO-2, there's a program developed and launched, "Beyond the Norm". The executives reporting to the vice presidents, their first line, are brought together to come up with

projects that we haven't had yet, they are sent to China for internships. We are very much expecting this story to bring us some innovative ideas. So, the training is spread across all verticals. It is not that it is only for some category of employees. No, it is absolutely for everyone” - Respondent 5.

At the same time, experts note a gap in employee training in terms of knowledge and skills needed to create innovative solutions and products, which hinders internal entrepreneurship development from the bottom. “There is such a problem that you can hold an event and even from a large number of ideas, there may not be any valuable ideas, which either were not considered before, or those that solve the problem now” - Respondent 4. It was also noted that employees lack the necessary knowledge to follow up their incentives, support all stages product development and bring them to the market. Technology-oriented training is predominantly provided and developed by MWS.

Involvement. Involvement elements comprise teamwork and collaboration, participative decision-making, creativity, reward system, employee commitment and leadership. Teamwork and collaboration and leadership sub-elements were considered separately, while the leadership sub-element was addressed within involvement element in terms of the manifestation of leadership-related qualities among lower-level employees.

The involvement element in MTS is developed mainly among the lower-level staff due to the employee personal initiative, their personal and professional qualities and the specifics (proactive initiative, personal interest in project area and performance-based career development, etc.) . “It seems to me that in this respect, corporations are making efforts to change the culture. Yes, it is not working out well. Except for cooperation, which is better because it is easier to manage, everything else is more difficult because there is inflexibility, inertia, long-term planning and bureaucratization. Roughly speaking, when everyone has annual, quarterly and other goals, and there is a need to strictly comply with them, or important benefits will suffer, commitment and interest is limited to this” - Respondent 3.

The difficulty to stimulate creativity and proactivity of employees in terms of motivation and evaluation mechanisms and tools was noted due to the high subjectivity level of the final indicators: “it is easy to evaluate a person in terms of his performance and productivity, there are KPIs, they can be good and bad, but they are clear, they are formulated, they can be quantified. But everything that concerns creativity and other things is still a subjective story, and like any subjective story, it is still a question” - Respondent 3.

The same can be stated regarding collaboration and teamwork between employees, including those working at different levels and in different departments - everything is based on individuals' personal initiative, while such behavioral model promotion can be characterized as weak in MTS PJSC. "This is something that depends on people, of course. About activity, about interaction between teams, I am happy when there are people from related teams and directorate who do not immerse themselves in formalism of some kind, saying, write a letter, send it there and there. So you came up, you talked, you clarified your issues. This openness is not about everyone. Naturally, there are those who always maximize denial, avoid responsibility until there is escalation somewhere higher, in order to attract people to a normal interaction. Unfortunately, we also meet such people. There is still a lot of work to be done" - Respondent 1.

PJSC encourages and promotes openness and interaction among employees on a value level, but regarding their ordinary and routine load in order to improve overall performance. "More than work, for us it's about a community of like-minded people and performance - we are fully engaged in our work and what we do, not just sitting there from nine to six. "We are together" is about teamwork, about trust, openness to the opinions of colleagues" - respondent 5. Specific tools for such behavioral traits' practical implementation and stimulation were not mentioned by the respondents, as well as encouragement of interaction that goes beyond the scope of duties stated and would be aimed innovative ideas and directions development, non-standard tasks elaboration. "Unfortunately, KPIs ... It's a difficult formula here, how to put it into KPIs so that people interact normally. Especially, you know, when it is at IT level, and when there are 60% of people working remotely" - Respondent 1.

Finally, departmental specifics and team level leadership are a decisive factor in stimulating employees to show interest towards innovative projects, to elaborate and demonstrate creativity, and to interact actively and openly. "In a corporation everything depends on what department you are in, because every manager in such a large system, he builds everything for himself. And I was lucky enough to work in a direction where creativity is encouraged. In the direction where I work, there is a large share of independence, very positive, polite feedback, quick payment of bonuses, the motivation goes from below, there are no big barriers to the fact that I can contact any division, etc. For instance, I am doing an innovation project now and I have to write to the technicians, to different businesses. And the positive thing is that there is no very strong barrier. We are not stimulated to communicate with each other, there is no such thing. I mean, if I were to sit on the spot and do my project inside in the "sandbox", or the fact that I am

running around in other divisions, my salary and career are not affected. So there's more enthusiasm here, that there's a project, there's an opportunity to realize it, and that's where you can find other people who are the same way” - Respondent 6. “Here it's also a question of management and specific direction. There are more loyal ones, not going into micromanagement. It is not about the corporation, but the management style” - Respondent 3.

It can be concluded that there is no centralized management strategy for involvement, collaboration and teamwork development, which makes its manifestation chaotic and fragmented. Accordingly, in this case, in order to form relevant conclusions, it's reasonable to expand the original division “PJSC MTS and technological spin-off MWS” to “PJSC MTS as a telecommunications business”, “MTS ecosystem” as complementary digital products and solutions (fintech, media holding, etc.) and technological IT subdivision “MWS”, where engagement elements development level differs from lower to higher respectively, due to the business process' specifics, employee personal traits, as well as external regulation factor and subdivisional rigidity that determine such employee behavior appropriateness in the context of the possibility of innovative initiatives' implementation.

Leadership specifics at the top level were touched upon as a crucial factor of MTS innovation culture development, a tool for innovative practices and initiatives transfer and dissemination, including those from the MWS division. “At the top level everyone talks about their results every six months, “pollinate” top managers, and further top managers their employees” - respondent 2. The process of coordinating innovation projects with company leaders was also described by respondents as difficult. “I basically have a process that I can follow. But I need to have a good agreement with the vice president to do it, then there is a chance that the project can be launched and tested. It's a complicated process, but it's realizable. I went through it a couple of times, it wasn't easy” - Respondent 6.

Agility. Similar to the previous element, opinions regarding a company's ability to be flexible within an innovation culture vary depending on the specific department or team, the leaders' position and particular business line's internal and external regulators' specifics. “Agility is also up to the team leader. He may say that he strives for it, but in reality he has a “divide and rule” approach” - Respondent 1. At the general level of PJSC, flexibility in terms of quick adaptation, transformation and novel communicative, managerial and creative practices generation is transmitted through corporate values, but no specific tools promoting and motivating this behavioral model were identified. Existed

flexibility manifestation among employees results their own initiative and their accumulated professional skills quintessence.

At the same time, there is a number of limitations to the flexible approach to innovation and change and way of thinking in PJSCs. First of all, a number of organizational and legal regulators, keeping the company stable and “safe” for employees and customers, allowing it to stay afloat and bring continuous profit to the stakeholders, hinder flexible or agile business procedures development.

At the same time, on the employee side, the requirements and metrics on the core business objectives fulfillment, which suffer when the focus shifts to new processes appears result a significant barrier. “I have KPIs for core business growth. And I’m given money for that. I understand that if I invest some amount of money for business growth, I will get it in a month or two and meet the KPIs. At the same time, I can tear off some of this money and invest it in future direction development, but I realize that I will disrupt the core business then. At some point the shareholders will not get profit, and their plans will get confused, and there may be some problems in the future” - Respondent 3. Cultural flexibility, observed particular teams’ level, should be transferred to the organizational one in terms of practical innovative solutions implementation into already developed company's strategy. This aspect does not fit into corporate organizational characteristics: “Flexibility is low due to the large structure’s inertia. Resources are redistributed slowly. It is difficult to deal with it. Decisions take a long time, resources are redistributed even longer. Corporation lives with very large time lags, it allows it not to fall apart, not to collapse from endless pivots” - Respondent 3.

At the same time, some limited flexibility is noted in terms of digital products development: “We have an infrastructure direction, telephone communication, it is highly regulated by legislation and is strategically important, it is difficult to change anything there. There is a direction of digital and additional products and services, and here corporations have quite a lot of flexibility now” - Respondent 3. Specific bodies and established processes are present in these area, able to carry out more flexible resource redistribution, reorganization of processes. “We have, for instance, a product committee. This is such a body that coordinates additional headcount, additional resources for new products. Accordingly, if the team believes in the product, it has defended it, it shows a business plan that converges to profit - company allocates resources and invests” - Respondent 5.

Openness. The openness element includes such sub-elements as open communication, internal entrepreneurship, external search, external cooperation. Based on the experts'

opinion it was decided to consider internal entrepreneurship as a separate element (different to the approach presented in scientific literature), as the activities implied go beyond external information search and company's openness to new information and innovative practices externally.

Similar to employee engagement and creativity, personal initiative resulted the most important factor influencing the degree of openness and employee engagement in external information. "Openness to new things depends on how motivated I am within the company to promote it. There is no such thing as someone fluffing me up and making it go, there are no such things. But there are no barriers in the company, if I am motivated, if I want to do it. If I have the desire, I can do the partnership and so on. But, again, the system has to be rocked from below, no one motivates me to do it from above" - Respondent 5.

At the same time, there is a range of opportunities and tools within the company to carry out market analysis and an external information search, which is also embedded at the level of the company's values. "There is a UX Lab where people work very professionally. I just write in our internal portal a brief, what hypotheses I want to test. I often, frankly speaking, use external analysts as second hands when there are no resources in the team. And it seems to me that in MTS this mechanism is best done. That is, if I need to test an idea, a basic hypothesis, I can do it quickly" - Respondent 6.

The company also does not limit the practice of establishing links and cooperation with other companies in the market, research organizations, etc., in order to develop joint products or outsource certain research or production stages. However, as there is no unified course to external search conduction for innovation purposes, as well as employee stimulation incentives, these tools and possibilities are improperly disseminated and, therefore, uncommon among employees. "For some reason, not many people in the company know about this; there is a very cool system of market analysis. And here, probably, many guys come from the market of companies and startups, and they do not know that such opportunities exist. But if you don't know about it, no one is going to pull you in this direction." - Respondent 6.

Accordingly, employee openness to novel processes and tools is often limited by general trends (for instance, the introduction of AI to automate processes at the individual employee level), making routine tasks easier on individual level. "External information search, there are no limitations here. What is on everyone's tongues now, AI-tools. Now no developer can do without any artificial intelligence at all, in my opinion, everyone draws information from there, there are no restrictions here" - Respondent 1.

At the company level, third-party practices and innovation introduction, cooperation with external organizations is also limited by a number of organizational factors, such as lack of the need for innovation and change, internal and government regulation, legal aspect, leader's personal attitude, etc. "In terms of how information is perceived inside the company when you bring an idea from the outside, it depends on the team, personally on the direction's head. If he himself is open to new things, then yes. But if he has some brilliant ideas and thinks he knows the market better than anyone else, then there is no way for you to break through, and no one can do anything about it" - Respondent 6.

As for external collaboration, open sources point out MTS initiatives to develop joint "breakthrough" innovative technologies based on "MTS Future Crew" innovation center (the initiative was manifested in 2024) [Forbes, 2024]. However, as experts point out, initiative's affiliation with telecommunication corporation holds innovative projects development and launch back. Such company type is capable of optimizing cultural and decision-making processes to upgrade a mature business, but not to launch startups. Managing a huge business and launching a new technological product are quite distinct objectives, few companies managed to combine both effectively. For this reason, no outstanding results of such initiatives are currently available.

Customer-centricity. Another important company's openness aspect, is the direct search for information and feedback collection of from customers. "A client leaves a request for a feature. And then we take this feature to work. And we internally look at how much this feature is needed, how much it is in demand, how much money it will bring, how much it is mandatory or desirable. We look at customer problems from a product perspective" - Respondent 3. This element was highlighted during the analysis procedure and added to the finalized corporate innovation culture elements list.

Customer-centricity refers to the business strategic focus on maximizing customer satisfaction by service customization, interaction optimization and customer experience continuous improvement, based on customer behavior and preferences deep analysis. Customer centricity was mentioned by all respondents during the interviews and was also mentioned in most of the public sources analyzed, including those related to the mission and values of the company. "And that is one of the most recent ones, and that is being forced, is customer-centricity and human-centricity" - Respondent 1.

According to the interview results, corporation demonstrate a high level of external customers orientation due to the high competition of players in the market preforming high quality level of products. Therefore, client-orientation cannot be considered as a unique cultural feature, but as a necessity that cannot be ignored. As for the internal

customers, this area is also stimulated and developed in order to achieve a relationship of trust with employees to avoid qualified personnel outflow. “Here we are talking about customer centricity both internally and externally. What does it mean for us to be customer-centric internally? It is the service we provide to our internal client, first of all to the employee. How we employ him, how we develop him, train him, what place we provide him, what office he is in” - Respondent 5.

Internal entrepreneurship. Internal entrepreneurship comprises innovative ideas generation and circulation among employees, availability of mechanisms for their collection, evaluation and implementation. Internal entrepreneurship in MTS PJSC was estimated as a highly complex and difficult phenomenon to be developed. “Circulation of ideas among employees is the most difficult problem in terms of idea generation. And corporations have approached it many times. Here in my memory, as long as I've been working, there have been eight approaches. There are few companies in the world that have been able to make something out of it” - Respondent 3. “Internal entrepreneurship is a very complex topic” - Respondent 6.

A number of attempts have been made within MTS to organize centralized activities and to collect and implement employee initiatives (for instance, the “Garage” initiative, variety of hackathons, etc.), but they didn't meet with success. Among the tools that took place were: the “Garage” corporate structure for new products and services creation, variety of hackathons and ideatons, a common portal for collecting ideas throughout the company, etc. All of the initiatives listed above were challenged by a number of barriers. Among the problems hindering an effective internal entrepreneurship establishment, stimulation and development system, the following are noted. First of all, difficulties arise with employee motivation to innovative thinking in a highly loaded environment and the need for compliance of KPIs on current objectives, directly influencing on remuneration and the salary amount, as opposed to additional initiatives, which are not encouraged at the material level. “Everyone has annual, quarterly and other goals, influencing important benefits, there is the need to strictly comply with them” - Respondent 3.

Intangible motivation mechanisms also require additional elaboration: in the form of incentives development, thematic employee communities and clubs establishment, etc. Secondly, to stimulate high-quality and promising initiatives among employees, a decent level of knowledge and practical skills in technology development and technological product presentation field, as well as knowledge of current technological trends and innovations in the market are required. Gaps in employee development area were revealed, most bottom-up initiatives are related to “hype” topics, not properly developed without

any potential value for the company. “And there's a problem that you can have an event and even out of a lot of ideas, there may not be valuable ones that either haven't been worked on before or are solving a problem now”; “To propose a product idea, you need certain skills. You have to train a person to understand the product. Where the idea comes from, how to validate it, what the value is, and so on. And, unfortunately, there are a lot of hype issues. For instance, a few years ago it was meta-universes. Now, if you collect ideas, it will be all with generatives and so on” - Respondent 3. The next challenge is related to building organizational and product processes for innovative initiatives implementation. Difficulties arise with existing processes restructuring for innovative products and innovation process implementation as a whole: “If the ideas are good, fully or partially remove a person from the work process, so that he could either fully or partially work with us on the implementation of the idea, or find some compromise with his manager. Because there used to be experiments like this, where if you had a cool idea, we would take you on for six months, we would implement the idea, and if it didn't work out, you would come back. And the managers were very upset, because they had plans, KPIs to fulfill. They had to hire a temporary person for six months, then fire that temporary person” - Respondent 3. “The fact that the people proposing a new idea or implementing it, they don't control the whole chain until the launch. I can propose an idea, give it to someone, and this someone will take and bury it. Because his advertising budget was focused on something else. If someone is responsible for buttons, someone is responsible for a certain seam in the process, then corporations may have problems in this respect, and working with ideas will not be very effective” - Respondent 3.

Finally, mechanisms for incoming ideas capturing, filtering and selection also require improvement: “you need to figure out how you are going to filter, select them, you have to give feedback to each of them, because if there is no feedback, people get frustrated and don't play it anymore” - Respondent 3.

Innovation culture-related challenges in the company.

Respondents noted three major barriers to innovation culture development in MTS PJSC, affecting all the elements described in one or another extent. The first factor is related to the employee profile, specifically those who have not previously been associated with IT, technology and innovation during their professional activities. By hiring such employees, team leaders reduce their departments' innovative potential. Moreover, this does not always mean the absence of division's interest in such development potential. As a result, employees do not yield to external motivation, are not disposed to internal

entrepreneurship, ignore and avoid development opportunities, and do not adopt their colleagues' innovative experience.

Specialists' strong narrow specialization in negative connotation with a limited vision, both from a professional point of view and in the context of understanding the processes taking place in other divisions of the company, were also noted. The reason lies in the high employee workload, lack of spare time for additional skills development and professional outlook expansion, as well as poorly developed interaction at the company level on current agenda sharing and practical experience exchange.

According to the trend list composed by the UNESCO Chair of the National Research University Higher School of Economics, employee multidisciplinary and broad professional outlook are becoming an indispensable specialists' requirement recently [HSE, 2024]. Lack of such qualities among MTS employees leads to company's actualization and innovation processes inhibition within it. Competency gap in MTS is addressed through specialized events, rounding external professionals up to broaden employee professional horizons.

The second cause refers to organizational and regulatory barriers of the company, representing a constant aspect that cannot be leveled at the moment. These include regulatory procedures related to the additional financial resources allocation for implementations and development purposes; high organizational procedures' regulation due to the need to ensure large company's stability and safety; external bodies' control due to the telecommunication industry specifics and the company scale the in the form of regulations and standards; telecommunication industry legal restrictions and operating with user data specifics. In this case, the solution to the problem in favor of innovative promotion of the company and its market actualization lies in additional services and facilities developed complementary to the main telecommunication product, not affected by the whole restrictions range. "There is the core business, and things are very complicated there. And if you scramble, everyone will be fired from work, transferred, the license will be taken away. And the other direction, which is not connected. There everything is much more flexible, easier. There is room for creativity, and it is, on the contrary, welcomed" - Respondent 6.

Therefore, open-source information point out that putting of MTS Group's business into a separate company will not only allow the company to enter the IPO, but will also give "it more freedom from the internal tasks of developing and supporting ecosystem services." "Now the company cannot withstand competition due to internal limitations of the ecosystem, it needs to develop according to market rules" [Kommersant, 2024].

The third and the last reason is the lack of the need for innovation in the telecommunications business as a such. “This business is very big, whatever you attach to it, you will not notice any changes in this business. MWS, they just have more areas where creativity is needed” - Respondent 6. “The telecom business is highly commoditized and has a rather limited space for development. The prospects for some fundamentally new products appearance are ambiguous” - First Vice President for Technology of MTS [Vedomosti, 2023]. Nevertheless, this conclusion needs further consideration against the background of the current active innovation transformation in all economic sectors.

3.2.2. Technological spin-off’s corporate culture.

Corporate culture features.

Mission. General company mission and values list is set at the PJSC level and communicated through business group, undergoing modifications by the specifics of each subsidiary structure. “The set of corporate values is the same for all businesses, but each spin-off has its own interpretation and enforcement” - Respondent 7. Strategic directions and decisions are calibrated with the ecosystem director as well. At the same time, the subsidiary operates its own values expressed through the company's “technological principles”. In contrast to the parent company, technological principles address continuous learning and development, the unit's move “to keep up with the times” directly. The principles encompass: focus on customer experience, in-house technology (preference for in-house development, use of open source / inner source rather than technology procurement; key technologies providing key competitive advantages being in-house developed), data centrality, Machine Learning /Artificial intelligence management, etc. Technological solutions, including innovative ones, are considered strategic development goals realization tools, established at the level of company's values and priorities.

Involvement. In contrast to PJSC MTS, where a number of limitations and gaps to the involvement element development were identified, experts noted a high degree of motivation, involvement and creativity of MWS division employees. “IT in general, our team, it's so much more ambitious” - Respondent 4. For this reason, employee creativity and resourcefulness is also developed through educational tracks, including those initiated by managers. These characteristics are generally in line with company’s profile and constitute a vital aspect emphasized when hiring employees.

On the contrary, in the parent company, these applicants’ skills are not prioritized and experience in a similar IT environment is not mandatory for hiring, even for leading

positions. “There is a certain profile under which a person either fits or not. And obviously it is different with PJSC. We hire people mostly from IT companies. That's like one of the criteria. So we understand that the person already understands the IT culture, they have worked in an IT team before, and they understand how it all works. PJSC often hire people not from IT companies. I would even say that most of them do” - Respondent 4.

Consistency and adaptability (agility). Flexibility is determined by the business model and product processes. Agility is considered the technological business foundation, that includes an innovation component. “There will be innovation elements and innovation budget in product teams because technology products have to evolve all the time. We have a clear innovation strategy, but we're still keeping up with the times. The world is changing so you have to go slightly with the times” - Respondent 2. “IT specificity is that there is a high level of uncertainty, high pace, there has to be flexibility, constant processes reorganization, new inputs. Technologies are changing rapidly, setting certain high pace of work. In other words, it is built in such a way that with minimal resources, all the decisions needed must be made within minimal time, and in a correct manner, in accordance with the company's strategy. We cannot do it any other way. When something new is introduced, it must be immediately put into work” - Respondent 4. “Spin-offs have flexibility, willingness to take risks and speed of decision making. In general, corporations often create spin-offs precisely so that they don't “suffocate” in a rigid corporate culture” - Respondent 3.

The *quickness of workflow* results another cultural element, evolving over time within MWS. For instance, as a result of the platform technology introduction, the product time to market in the division has been reduced by 40%. “The time from the task’s appearance in the backlog to its realization has decreased by 4 times through two-year transformation. Our teams have more time to solve profile tasks due to the routine reduction: obtaining and setting up infrastructure and databases, monitoring, building data pipelines and much more. Enabling rapid change is an important part of technological transformation” - First Vice President for Technology of MTS [Vedomosti, 2023].

Another related essential aspect of the business model discussed is *risk and failure acceptance*. Unsuccessful projects and decisions are unavoidable when hypotheses are constantly tested, and unsuccessful experience allows to adjust the development direction and not to repeat failures over time. “It is first of all to study something new on the market, to follow the news, to try new things, not to be afraid to make mistakes” - respondent 2. In the context of PJSC MTS, this element was noted as inconsistent with parent company organizational principles, as it implies resource and reputational losses compromising its

stable business performance. However, given the unit's affiliation with the corporation, this element's implementation cannot be a hundred percent accomplished. 3. “The culture of risk and failure acceptance in the context of innovation project implementation is quite high, 8/10” - Respondent 7.

Collaboration and teamwork. As for teamwork and interaction, the product processes specifics in a technological company fundamentally imply the presence and development of this element. “As an IT team, we work on product development. Product development is a complex story, and in it, the product team has all the necessary links, chains to make this product appear. The product forms a team of those functions and people that are needed, and then it moves to the next point. I would say that initially the roles already involve cross-functional collaboration among each other as part of product development.” “We are faster, decisions are made faster, tasks are different, and there is simply no time to coordinate something in 50 instances. And for this, the number of processes, decision makers is reduced, and because of this, cross-functional interaction is built differently” - Respondent 4.

In addition, cross-team interaction is present to share experiences of working on certain solutions and technologies. “People come out and speak. People are talking about what they did wrong, what they learned, what they took away from this practice. So more people are starting to talk, more people are starting to interact. A culture of sharing knowledge and experiences” - Respondent 2. IT community True Tech, which now has more than 25,000 specialists of different levels and stacks, was established within MWS [Vedomosti, 2025]. These people participate in specialized meetups and tech conferences, championships, hackathons and summer camps, share their experience, driving the industry development. “In spring, we held the largest technology conference True Tech Day, which was held in a hybrid format - simultaneously in Moscow, Tbilisi, Dubai and Astana. Several thousand people attended it offline, and more than 60,000 watched online. More than 70 experts from different technological companies - Russian and foreign - made presentations. It is very useful to share experience, not to close in on yourself and your approaches. It broadens horizons” - First Vice President for Technology of MTS [Vedomosti, 2023].

Looking beyond the product, teams also collaborate to undertake large cross-functional projects across the company. In order to motivate and develop productive interaction at various levels, specialized centers have been established at the MWS division level. So-called competence centers and practice centers represent people who set certain rules,

work regulations, implement new solutions to simplify interaction in all teams. Thus, cross-functional interaction between products and teams is established on a regular basis.

Leadership. In contrast to PJSC, the leadership factor was addressed multiple times by respondents in the context of MWS corporate culture and innovative directions development. “We have an ecosystem director with whom our CEO calibrates strategic decisions, some vision, directions, some business goals. Further it is already rather codified internally” - Respondent 4. “Since 2021, our vice president came to make a technological transformation, because there was telecom only, and MTS already realized that telecom alone is not enough” - Respondent 2. The specificity of the company leaders' vision defines the direction of MWS development as highly oriented towards innovation and continuous technological improvement.

Learning. The learning element has not been emphasized in scientific literature when describing the corporate culture of companies. However, the analysis revealed that the educational component is an integral part of the culture of the technological spin-off under consideration. As in the parent company, the training element is developed at a high level, employee training takes place within the framework of the tools established at the PJSC level and described earlier. “We budget hundreds of thousands of rubles per year for the training of each employee. In 2023, more than 140 million rubles have been allocated for this purpose. “ - First Vice President for Technology of MTS [Vedomosti, 2023]. Employee transition from one specialty to another is possible within the framework of specialized training, which the employee must enroll in beforehand. “In addition, we have management training within MWS, which is more related to executive education: about the team, interaction and so on” - Respondent 4. “We see a trend towards retraining. It is important for us to give people an opportunity to change the sphere of activity, to move to another project - to change the stack” - First Vice President for Technology of MTS [Vedomosti, 2023].

In addition to the educational tracks and programs presented at the ecosystem level and coming from the parent company, MWS has its own set of educational programs with a predominantly practical and technological focus. “Within the corporate university, there is a section of the IT faculty, which is exactly what we fill and develop. We focus more on the development of the technology team in the hard skills direction, in those technological stacks that we need”. “In addition, we have separate entertainment events just for the technological team - we are inviting external speakers who help the team by talking about some best international practices, trends in certain technologies and

interesting cases. Here, this format is less applied, but more useful, probably, to expand thinking, to form a picture of what is happening in the market” - Respondent 4.

Openness. Since the technological division operates and develops according to market rules, openness to changes and innovations in the market results an essential part of the business processes and, accordingly, employees' culture. “We study the competitors experience, we look at successful cases, we look at what our customers need, we communicate with them. Technological team come up with something of their own quite unique” - First Vice President for Technology of MTS [Vedomosti, 2025]. This aspect is essential for the dynamic development of products that are in customer demand. “Openness is extremely high, 10/10” - Respondent 7.

The company's portfolio is expanding due to the constant work on M&A deals. “Constantly we think about it and look at potential objects for purchase, even already there are some targets on which we focus, in directions complementary to our products and services, our strategy” - First Vice President for Technology of MTS [Vedomosti, 2025]. Proactive engagement with startups also takes place. “This summer, together with our subsidiary MTS AI, we launched an accelerator of generative artificial intelligence technologies” - First Vice President for Technology of MTS [Vedomosti, 2025].

Internal entrepreneurship is one of the sources of product innovations in the company. “It is not necessary to be a top manager to propose a product or a project, which we will then realize and offer to the market. MWS has its own development centre, where employees create products that are in demand on the Russian market. Last year the company launched 12 new products, including a service for deploying Kubernetes clusters, a product for protecting web applications WAF Premium, a server load balancer GSLB, a cloud version of the corporate platform CommuniGate Pro, and others” - First Vice President for Technology of MTS [Vedomosti, 2025]. “It is possible to get funding for a promising idea/product/project by defending it at the relevant committee; after 6-12 months, success is evaluated and a decision is made to close or continue funding. The scale can be from billions of investments (for instance, NUUM) to 50 million rubles for MVP of a product feature” - Respondent 7. However, similar as in parent company, no centralized system coming top-down were established in order to stimulate and promote employee entrepreneurial initiative. “Average, 6/10. No systems in place, but the organization is open to accept and support initiatives” - Respondent 7. However, unlike the parent company case, lack of organizational incentives can be partially compensated by employee motivation. Due to the IT profile and work experience of MWS employees,

they are more committed to proactive initiative and result more competent in the matters of initiated product development.

Entrepreneurship stimulation is embedded in the short-term and long-term non-financial *motivation incentives*, including the organization of “guilds”, where people communicate and share their knowledge, ideas and relevant experience; programs aimed at motivation and reward - Achievement Recognition (team and individual). Tangible financial motivation for the previously listed attributes of innovation and entrepreneurial behaviour is absent.

Customer-centricity. Customer-centricity-oriented values and strategic directions also were mentioned to be extended to MWS. The pursuit of improving customer experience and retaining the customer base drives the company to develop and implement innovative technological solutions. “There is a very high level of external customer-centricity because there is a lot of competition now and all the players have a very high level of products. So for you it's not some unique feature where the client has to be in the center of your attention, but it's a direct need that you can't pass by, from the external market point of view. In terms of internal customers, I spend most of my time, well almost all of it, working with them. And in fact I am such a mini-seller, I have business customers, that's my warm customer base” - Respondent 3. “At least in my work line, the customer focus and customer centricity is quite high” - Respondent 2. For this reason, this element was also added to the corporate culture elements list of the technological spin-off. “Another important focus of the transformation is customer-centricity. We are investing a lot in customer experience, going down the path of simplification, when you can get a product or service without spending extra time” - First Vice President for Technology of MTS [Vedomosti, 2023].

Considering the elements of corporate culture described above, their specificity and cultural differences between PJSC and tech spin-off within the company under examination, the following conclusion can be drawn. The corporate culture of the technological spin-off can be characterized as innovative due to the specifics of the business processes, the products and services developed. “And it turns out that we are more innovative. Because we have to test it on ourselves, we have to be the first to implement it. We are the first to know about it, that is, we don't miss a letter, we don't miss a video, a conference, it doesn't pass us by. We are the first to know about everything” - Respondent 2. The final list of elements of the spin-off's corporate culture, supplemented and modified taking into account the specifics of the company is the following:

1. Quickness of workflow;
2. Continuous learning;
3. Knowledge and experience sharing;
4. The mindset and business flexibility/ agility;
5. Risk and failure acceptance;
6. Openness to innovation and change; external information and collaboration;
7. Involvement (incl. encouraging experimentation, creativity, ambitiousness, and proactive mindset);
8. Internal entrepreneurship;
9. Close collaboration and teamwork;
10. People-orientation, employees' motivation and reward;
11. Customer-centricity;
12. Leadership support to technological and innovation development;
13. Innovation development-oriented mission.

3.2.3. Comparison of technological spin-off's corporate culture and parent company's innovation culture elements' characteristics.

Discussing the fundamental differences between the cultural characteristics originating in the technological division and those established in the parent company, the experts emphasized the following points, including the general orientation of MWS on technology and innovation development, particularly at the level of mission and values. First of all, the culture of spreading knowledge and experience of individual leaders and teams was emphasized, which is a much more valuable resource not available within the corporate university courses. At the same time, both positive and negative experience of colleagues serves as a basis for new experiments and innovations, a factor reducing the probability of failures and mistakes, and a motivating factor for the unfamiliar or previously unexplored areas consideration. "People come out and talk about what they did wrong, what they learned, what they took away from this practice. That wasn't happening before. A culture of sharing knowledge and experiences" - Respondent 2.

Second, the greater cultural and, consequently, organizational flexibility of technological spin-offs was repeatedly noted due to specific cultural characteristics of IT professionals and, more important, business processes specifics. The way they do business and create products in a technological environment, which is not always what the parent company wants or can afford, determines alternative workflow. "Spin-offs have flexibility, risk tolerance and speed of decision making, whereas the parent company is focused on

stability and long-term plans. It's important for a corporation to be stable, reliable, like a huge mammoth walking through the jungle. Yes, lazy, slow, clumsy, synonymous with bureaucratized, not taking special risks, not approaching the edges of cliffs, but stable, reliable, bringing money to its shareholders, and this contradicts the technology companies in general” - Respondent 3. “Experiment in Telecom - expensive, infrastructural, with implementation period of more than a year, mistake cost is extremely high, decisions are made for a long time, as they are evaluated rather in terms of risk cost. Experiment in Cloud - can have different cost, realization from half a year, decision is made relatively quickly, evaluated as an opportunity” - Respondent 7.

As a consequence, the spin-off is nurturing a culture of faster collaboration, decision-making, and product development for timely updates to a rapidly changing landscape. “Based on what I just see, we're working faster. Just faster, we have a different pace. There are specifics of an IT company. IT has a specificity in that there is a high level of uncertainty, high speed, there must be flexibility, there must be constant reorganization of processes, new inputs; technologies change quickly, and this sets a high pace of work” - Respondent 4.

The active and sometimes unpredictable pace of work also corresponds to the employee personal qualities, characteristics and soft skills and specific experience - professional flexibility, ambition, creativity, openness and curiosity. “In addition to soft competencies, there are certain competencies that we need additionally. And we already have them internally. There is a certain profile under which a person either fits or not. And, obviously, it is different with PJSC. So there is a different culture here” - Respondent 4.

Nevertheless, although at the highest regulatory level PJSC does not promote these aspects through motivational, assessment tools, the cultural gap between PJSC and MWS is not as dramatic at the level of particular ecosystem divisions. This is due to the digital and technological focus of some PJSC divisions, as well as the personal initiative and qualities of individual employees in such divisions. Accordingly, in this case, in order to form relevant conclusions, it makes sense to expand the original division “PJSC MTS and technological spin-off MWS” to “PJSC MTS as telecom business”, “MTS Ecosystem Group as development of complementary telecom business and other products (Fintech, Media Holding, Adtech, Yourent) and technological IT division ‘MWS’, where the level of development of the elements differs from low to higher respectively, due to the specifics of business tasks and related employee characteristics, as well as divisional regulation and rigidity, determining such behavior appropriateness in the context of the possibility of implementing innovative initiatives. This conclusion corresponds to open

source data, according to which MTS divides the company into a traditional, conservative business focused on a stable customer base, with the main goal of maintaining EBITDA and ensuring the sustainability of dividends, and an innovative business ready for risks, launching new projects and competing for the development of new market segments [Kommersant, 2024].

A detailed list of the differences between the parent company's innovative culture and the corporate culture of the technological spin-off identified during the interviews and separately indicated by the experts is presented in the table in Appendix 3 of the paper.

Based on the analysis conducted conclusions on the possibility of potential cultural convergence between parent company and its technological spin-off have been made. This convergence takes place within the framework of the elements from Appendix 3, where the gaps in the PJSC were noted, as well as no fundamental regulatory and organizational constraints for its development were identified.

Elements of the corporate culture of the technological unit were ranked according to the probability or limitations of their introduction into the parent company's innovation culture, taking into account the specifics of the telecommunication business and the ecosystem's digital units, as indicated by the respondents during expert interviews.

Table 5: Potential cultural convergence between parent company and its technological spin-off.

Technological spin-off's corporate culture element	Development potential in telecommunication business	Development potential in ecosystem's digital units
Quickness of workflow	0	0,5
Continuous learning	1	1
Knowledge and experience sharing	1	1
The mindset and business flexibility/agility	0	0,5
Risk and failure acceptance	0	0,5
Openness to innovation and change; external information and collaboration	0,5	1
Involvement	1	1
Internal entrepreneurship	0	1
Close collaboration and teamwork	1	1

People-orientation, employees' motivation and reward	1	1
Customer-centricity	1	1
Leadership	0,5	1
Mission	0,5	1

Source: composed by the author based on open data analysis and expert interviews.

The potential level of implementation was ranked on a scale from 0 to 1, where:

0 - there is no probability of development of this element within the company for the given period of time and business conditions that correspond to it;

0.5 - there is a probability of development of the element in a limited way due to a number of organizational and regulatory constraints;

1 - there is a probability of development of the element within the unit without limitations.

A number of elements identified, namely Continuous learning, Knowledge and experience sharing, Involvement, Close collaboration and teamwork, People-orientation, employees' motivation and reward systems and Customer-centricity were characterized as possible for transfer from technological spin-offs for further development within any unit of the parent company. According to the current state of affairs, these aspects already have some degree of development with a lack of centralized tools and mechanisms at the top level for their further effective promotion. The presence of these elements will not contradict the specifics of the parent company's business processes as described by the experts, as well as internal and external regulations and regulators of the parent company units and the ecosystem as a whole.

The following group of elements can be fully transferred to units specializing in the development of digital ecosystem products, but are not applicable to the activities of the telecommunication division: innovation development-oriented mission, leadership support to technological and innovation development, openness to innovation and change; external information and collaboration. The explanation is the above-mentioned series of restrictions on the development of innovation culture in the corporation, which appear to be the strictest in the division responsible for mobile and fixed-line products, etc.

Finally, due to the given limitations, the aspects of quickness of workflow, the mindset and business flexibility/ agility, as well as risk and failure acceptance were characterized by respondents as impossible to implement in the telecommunication part of PJSC. As for internal entrepreneurship, according to experts' opinion, due to rigidity and intractability to changes of this business, there is no need to develop innovative initiative

of employees. Nevertheless, since the development of digital products of PJSC is more flexible and less constrained by various factors, the manifestation of these elements is possible in a limited way.

3.2.4. Influence of technological spin-off's corporate culture on companies' innovation culture.

Technological spin-off and parent company's interaction forms as potential cultural practices exchange mechanisms will be presented. Within the framework of the interrelations between PJSC MTS and MWS, a number of cases of innovative practices, technological developments and cultural characteristics transfer have been identified. It should be noted that due to the organizational specifics, MWS operation is quite autonomous that narrows the range of possible touch points for the influence setting. "There are functions that exist completely autonomously and we just inform PJSC about what is going on, just to be all in the same context" - Respondent 4.

Employee transition. As stated previously, an organization's, department's or a particular team's cultural specifics ground is mainly set by the employee characteristics - from the background, personal traits, unique soft and hard skills set. "From my perspective, corporate culture is primarily defined by people and depends on their personal values and behaviors" - Respondent 7. Accordingly, employees can be called as carriers of a certain cultural code developed from the factors and aspects listed above. For this reason, one of the main tools for spreading innovative practices and approaches, including cultural ones, can be the introduction of employees who are characterized by innovative cultural traits, work habits and cultural habits. In this case, such employees are those who came from the MWS technological division.

Since experience in IT is a mandatory factor for employee hiring, MWS staff is characterized with extensive experience in innovative cultural environment both within MWS and in previous jobs. An important prerequisite for this mechanism consideration is the level of the employee transitioning in MTS group. Due to MTS personnel development system, about 78% of managerial and 60% of other vacancies in the company are filled by internal candidates, including between business verticals [MTS, 2023]. In order to influence and make changes to current attitudes, the employee must move into a management position to be empowered and authorized to bring change, as well as to have people in the chain of command who will be affected by alternative cultural practices. "It depends on what position he comes in, whether he can influence. If he comes in as just an ordinary analyst, he won't do anything. You have to be higher, then

he can change something” - Respondent 1. “It happens that an employee moves from MWS to some more or less managerial position and can start implementing changes” - Respondent 5.

It is also important that innovations correspond brought would be accompanied with leader’s capabilities to make changes and to build novel organizational and procedural mechanisms, as will as with the innovation demand at the new place of work. “Established transition of employees to PJSC, which is practiced quite often with its own mechanisms, but here it is a question of the point of its transition and its specificity in the context of innovation” - Respondent 3. “It depends more on logic, but if in some direction you need to have flexible processes and new ideas, and people are interested in that. That is, it depends on how they will be able to build processes to their own level” - Respondent 6.

Knowledge and experience sharing. The most common mechanism for innovative practices diffusion is the knowledge and information transfer related to internal mechanisms and implemented initiatives/projects at the level of the whole company or ecosystem. In this manner, leaders share positive and negative experiences in implementing innovative projects, developing technological solutions and transforming cultural practices. The result of this process is the experience adoption by less advanced departments and teams, innovation implementation-related risk reduction by analyzing colleagues’ negative experience, employee motivation to use non-standard approaches and solutions, successful results of innovation projects implementation at the whole company level.

At MTS, the innovative experience transfer is mainly carried out through so-called “meet-ups” or conferences held at a high level. “There are some general IT meet-ups offline. All heads of IT departments or companies meet on the platform, they discuss, share cases, what are the pains, how do they deal with them, what innovative methods do they implement, for example. There is an exchange, someone can learn something and then implement it” - Respondent 1. “People come out and talk about what they did wrong, what they learned, what they took from this practice. There are different conferences internally. Or when here at the top level everyone talks about their results, respectively, pollinate top managers, and then there top managers their employees. We have full openness.” - Respondent 2. “The same educational programs, meet-ups, as a kind of tool for sharing experience between teams. Employees sometimes adopt some approaches” - Respondent 3. “At the ecosystem level, meetings between managers of different levels are really regularly organized. Educational events that allow just to share experience and translate best practices” - Respondent 4. “We share new best practices and take them,

definitely. At our general meetings we prepare different presentations, where colleagues show what their successes, results, new training practices are. We show ours, and then we see what results are better. This exchange happens regularly and constantly” - Respondent 5.

Technological transfer. The next mechanism is direct transfer of technologies, innovations, methods and tools for internal process optimization. This practice is common within the case studied, which not only promotes the widespread technological solutions introduction and process optimization, but also creates an environment tolerant to innovations and develops employee innovative potential. Implementation of technologies to improve HR infrastructure contributes to the education development in the company, establishes interaction and experience exchange, etc. Several cases of this mechanism implementation were described during the interview. “There was such a case that in PJSC MTS it took three months for an offer. It took three months to prepare an offer for one person from the moment of the interview. Obviously, in order to recruit a bunch of cool IT specialists, we needed to speed up this process. We accelerated this process in three days. How did we do it? Through the introduction of different technological aspects, different technological platforms and through the work of the relevant vice presidents” - Respondent 2. “Take a bank, for instance. “Our IT vertical, it partly existed like the last few years as a technology and solution provider for PJSC. So PJSC, within the telecom business, used, for instance, the same BigData solutions that we were developing. And that was part of the work. They acted as an internal customer for us, for which we implemented certain solutions” - Respondent 4.

«Contagion» effect. The last mechanism of cultural practices transfer identified during the expert interviews is the so-called “contagion” effect. Any ecosystem, including PJSC MTS, works like a clock - when one mechanism starts to develop and move forward, all other departments start to catch up with it. Ecosystem’s structural units cannot exist separately or proceed at dramatically different rates; this leads to destructive cultural and organizational misalignments. “The contagion effect was emerging. The others also saw the digital products, and accordingly implemented them to themselves. Now we have an active strategy going on to embed AI throughout the culture. And, accordingly, we have had this, of course, with the MWS subsidiary and also the contagion effect occurred” - Respondent 2.

All the mechanisms identified and described will be considered further for the practice-oriented approach development to the use of technological spin-off corporate culture as a strategic tool for increasing the innovative maturity of the corporation. Through the

mechanisms described, cultural practices are transferred from the spin-off to the parent company and, accordingly, the technological spin-off directly affects its innovation maturity, with innovative practices adopted in the company. The existence of such an impact was also noted and highlighted by the respondents.

A number of barriers that reduce the scale of influence and determine whether the aspects transferred will take root in the parent company was also considered. "If these aspects are not inconsistent with the way business is conducted in the PJSC, then they can be transferred through certain practices" - Respondent 4. "The fact that some practices that are transferred will be taken - if we understand that we need these tools to realize our objectives and they help us, then of course we will take them. But if there is something that does not help us in moving towards our goal, but rather hinders us, then we will not take it. In other words, we have the tools for transfer, and then it depends on the specific context, that's what we are talking about. We have newsletters about new tools, please use them. The next question is, what will people do with it? Are they going to use it or not?" - Respondent 4. "Here it depends more on the business objective, and if the direction has income from the core business, to do innovations there, well, it will be like entertainment, because the changes, they will not affect the KPI of the vice president, and at best you will be some kind of a "funny bowman" who does something there. But if the vice president or the direction is responsible for new types of business that need to be developed, if you need it, they will make processes for you" - Respondent 6. "The target audience must be willing to share these values/models. They must be in demand in business" - Respondent 7.

According to the respondents, the scale of influence is determined by the specifics of a certain department, its current focus on innovation activities and compliance with strategic goals, assessed by the KPI system, specifics of doing business and the presence of internal and external regulators. The clarified and widespread list of factors determining the scale of influence of transferred technological spin-off practices is as follows:

1. Thematic and organizational alignment of the transferred practices with the current objectives and processes, their compliance with the goals and strategy of the particular unit/team;
2. Local leadership position towards the broadcasted innovation-oriented practices - leaders in high positions may ignore even potentially beneficial proposals if they seem to them not promising in the framework of solving actual tasks, not aimed at innovative development due to lack of personal interest;

3. Internal and external regulators, corresponding to the managership position of top-level leaders and external governmental regulations of the industry;
4. Relevance and practicability of innovations in a particular segment/product;
5. Compliance with the balance of corporate business stability and forward movement, changes under the influence of the market;
6. Non-flexible and inappropriate employee profile in terms of entrepreneurial, tech-related skills.

The barriers given to the innovation culture development in the corporation have already been touched upon and described earlier in the paper. The table addressing the area of technological spin-offs corporate culture elements' influence and parent company's barriers, challenging it is presented within Appendix 4 of the paper.

Thus, a conclusion can be made on the limited influence of the corporate culture of the technological spin-off on the innovation culture of the parent company due to a number of limiting factors of different degree of rigidity and overcoming potential. The presence and influence extent of the factors identified correspond to the specifics of each individual unit in the company. Also, at the moment the mechanisms for transferring innovative practices in the company can be characterized as well developed, but the mechanisms of adoption and implementation require further improvement.

3.2.5. Technological spin-off as a strategic instrument for fostering parent company's innovation culture (rationale, mechanisms and instruments).

The approach development regarding the use of technological spin-off corporate culture as a strategic instrument for fostering parent company's innovation one implies a set of specific tools that support the revealed mechanisms' performance. The tools identified in the course of the research are the following.

1. Employee transition:

- HR platforms;
- Leadership (new processes and practices development, employee motivation, new KPI setting).

Case examples of the mechanism's performance: "HR has the platform I mentioned. There you can fill out your card like a resume, it contains all your history, where you worked, what you did. The heads of other departments can look at it, who is in what positions, who is currently considering offers. They look at our internal platform first,

who's ready to move or willing to move. That is, the employees themselves have access to open vacancies, they look and can respond to any vacancy” - Respondent 1.

“We have metrics, technology metrics, implementation metrics, so to fulfill them, we, as strategists, set metrics for the top level of employees. And for the top level, the manager, to fulfill those metrics, needs every small employee to fulfill those metrics as well. He puts his metrics there. So there is a system of metrics. For instance, the executive's bonus depends on the implementation of AI, technological improvement, product improvement, product innovativeness. With the help of the Metrics system, in order to fulfill his KPI, he puts a KPI for each employee” - Respondent 2.

2. Knowledge and experience sharing:

- Meet-up events / conferences;
- Educational programs;
- Newsletters;
- HR platforms;
- Informal communication stimulation;
- Competitive intelligence;

Case examples: “We have an HR-community there. At our general meetings, we prepare various presentations where colleagues show success, results, and new training practices they have. We show ours, and then we look what results are better. Training and learning practices are an HR product, and there, accordingly, we look at what our colleagues have learned. And we take notes, for instance, I saw that MWS has such a good practice, but I don't, and it would work. People who have implemented communicate with me. We meet and we understand how it can be implemented within our organization” - Respondent 5.

“We look at what is new with our colleagues. And we take notes, for instance, I saw that MWS has such an awesome practice, but I don't have it, and it would work. We meet and understand how it can be implemented within our organization” - Respondent 5.

3. Technological transfer:

- Leadership (new processes and practices development, employee motivation, new KPI setting);
- Newsletters.

Case example: “It takes three months to prepare an offer to one person from the moment of the interview to the approval process. Obviously, in order to recruit a bunch of cool IT specialists, you need to speed up this process. We accelerated this process in three days. How did we do it? Through the introduction of different technological aspects, different technological platforms, and through the work of the relevant vice-presidents”

3. *Contagion (pollination) effect:*

- Informal communication stimulation;
- Competitive intelligence;
- Newsletters;
- Internal communication platforms.

Cases: “It happens that employees have talked among themselves and come to HR and say: ‘listen, people are hired in a day on the stream, while we have been here for a whole week’. So we meet with their HR director and ask them how did they do it? The HR director tells us about it. Accordingly, we organize a working group and see if it is applicable to PJSCs, if we are not violating anything, if all laws and legal nuances are preserved there. We take it into consideration and implement it for ourselves” - Respondent 5.

“We make products, and PJSC makes products. We look at the market and come up with something of our own, how to improve the whole business. We put everything on the portal, we send letters to everybody. So we are the first to know, we go and try it, because it is our product, we are the first to test something. And the pollination of other employees comes later. Now we have an active strategy to introduce AI into the whole culture. And accordingly, we've had that, of course, with the MWS subsidiary and there's also been a contagion effect. “There is a common portal where all employees can find each other, where all employees can contact each other” - Respondent 2.

“All subcultures within MTS Group have cross-pollination. For instance, the Technical Block adopts product practices and uses them for its own needs; MWS product teams become more disciplined in achieving results and more careful with resources” - Respondent 7.

The rationale of leveraging spin-offs' corporate culture as a business strategic asset from cultural perspective lies in the potential of facilitating management processes, resource allocation and innovative business goals achievement. A novel dual-purpose approach to innovation and growth aligning corporation's technological and cultural objectives will serve for more efficient way of innovation capacity enhancement.

The launch of MTS Web Services in 2021 marked the beginning of technological and innovative transformation of PJSC MTS. For this reason, technological spin-offs, as entities aimed at creating solutions for MTS's core products improvement, could become a part of the approach, where ecosystem's innovation maturity is improved not only due to the presence and results of technological spin-offs' operations, but also due to the progressive and continuous development of innovation culture through a properly

organized system of interconnections. “Many corporations treat spin-offs as a “reserve airfield” - let them try something there and we will see. This is not quite right. We should not only give them freedom, but also learn from them. So far, not everyone has succeeded” - Respondent 1.

According to the respondents' considerations, the tools described above are used to some extent within the company to transfer innovative practices from MWS to PJSC and bring point results. The experts listed a number of innovative practices and solutions that have been developed in MWS and consequently borrowed in PJSC. Such cultural practices and approaches to organizing innovation activities exchange is encouraged and promoted at the top level in the corporation. Cases of other companies with similar trends were also mentioned. “For instance, Cloud.ru, it also separated from Sber. But Cloud.ru, accordingly, also provide solutions and services to Sberbank. And there we get such a contagion effect too due to innovations and technologies, developed in Cloud.ru product teams, and in general the whole Sber becomes more innovative as well” - Respondent 2. Nevertheless, the lack of a systematized and centralized approach to the use of the tools described makes the best practice adoption process complex, unpredictable and not systematically successful. “[It's] organized, supported. You see, it's such a complex mechanism that is very hard to move. To make something happen quickly, only a word at the highest level will help” - Respondent 1. This confirms the rationality of the approach and the usefulness of the mechanisms identified and systematized to improve approaches to stimulate corporations' innovation maturity.

Chapter 4. Discussion

The previous chapter detailed findings regarding the corporate culture of MWS and the innovation culture of PJSC MTS, mechanisms for transferring innovative practices from spin-off to parent company, and specifics of innovation culture development depending on the industry of operation and products under development. The presence of a number of respondents from both companies during expert interviews allowed not only to reveal additional details and provide a more in-depth analysis within the scope of the research questions, but also to identify the most objective information based on a comparison of expert responses to similar questions.

The innovation culture in MTS PJSC can be characterized as sufficiently developed, with the presence of a number of opportunities to implement innovative projects and initiatives, which is not the case with a range of competitors and comparable companies on the market in terms of scale and revenue. This assumption is confirmed by academic literature indicating the need to possess a certain level of innovation maturity to establish technological companies and divisions [Men et al., 2020; Weiblen & Chesbrough, 2015]. At the same time, a number of gaps in the innovation culture development were identified and highlighted through comparative analysis of the innovation culture of MTS with the corporate culture of MWS, its technology subsidiary. A number of factors hindering the innovative development of the company with different degrees of leveling possibility were identified. This procedure allowed to reveal the space for further development, as well as the possibility and areas of application of the approach under study and development in the paper.

The lack of a centralized approach to top-down innovation development, as well as the absence of established and applied instruments for stimulating and motivating innovation activity at the employee level within the corporation limits the company's development potential to local and heterogeneous manifestation of initiative, which often does not reach practical implementation. Lack of flexibility in the context of objectives set within current strategy, overload of employees with routine tasks and concentration on the KPi system, which does not take into account and does not stimulate innovative development, also restrains bottom-up initiative and leaves no room for agility, creativity and disclosure of innovative potential of the staff.

At the same time, the analysis of technological division's corporate culture revealed the presence of innovative orientation and innovative subtext within each of the classical elements in the framework of corporate culture structuring. Additionally, the elements identified within the MWS case are generally referred to company's innovation culture

characteristics in scientific literature. Based on these findings, the cultural characteristics formed in the technological division can be referred to as “innovative”, which provides a basis to equate the corporate culture of technological companies with innovation culture. All elements work for cultivation, development and implementation of technology and innovation in the company, determining its development, competitiveness and survival in the market due to IT business specifics. This assumption also made it possible to carry out a comparative analysis of cultural practices in two parts of the company selected for the case study.

According to the comparison findings, three groups of elements of the technological spin-offs' corporate culture were identified depending on their translatability and cultivability within the parent company through their transfer from the spin-off. The detailed characterization of the specifics of business operations in various units of the MTS group made it possible to identify fundamental differences in the implementation of the approach to under consideration depending on the business line and products being developed, extending the results of the study.

Within the case considered, the dichotomy of telecom business and digital divisions of the MTS ecosystem is applicable, and the probability of influence of technological spin-off culture on the telecom business can be characterized as low, while other divisions (Fintech, Media holding, Adtech, Yourent) are more likely to adopt elements of MWS corporate culture.

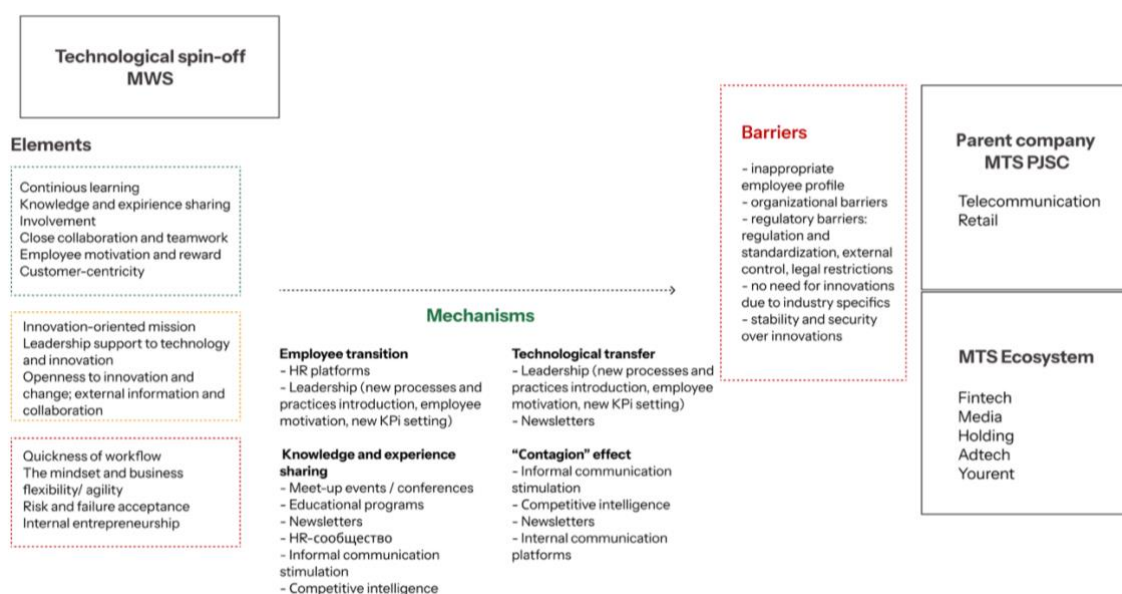
The divisional characteristics also determine the perception of innovativeness and attitude towards its development in different units of the MTS Group. Different vision of innovativeness in the parent company in its subsidiaries, as well as in the telecommunications division, in the digital services, products and solutions development, as well as in the IT division lead to different criteria of innovation maturity and requirements for its development within one corporation.

Due to this reason, the skeptical attitude of MWS's employees in assessing the level of innovation culture development in PJSC was noted in the course of the interviews. At the same time, PJSC's employees themselves assess their innovativeness degree as relatively high. It was concluded that due to the limitations existing, the approaches to the concept of certain elements are different, accordingly, their development extend is also different. For this purpose, further research is needed in order to develop a classification and description of the elements of innovation culture, taking into account the specifics of the business direction, product life cycle, legal and governmental factors of company regulation, etc. This information is necessary for objective assessment of the current level

of development of innovation culture of each company or its subdivision, understanding the possibilities and limits of its development, crucial for the efficient and realistic strategy development.

The strategic use of technological spin-offs as instruments for fostering innovation culture within parent companies is grounded in their ability to serve as agile, risk-tolerant entities that can experiment with novel solutions and practices beyond the constraints of the parent organization's non-flexible framework. The formation of a systematized mechanism allows the parent company to boost its innovation culture without compromising operational stability. The following approach was developed in the framework of the study, characterizing and systematizing the mechanisms of transferring elements of corporate culture of technological spin-offs and their characteristics to the parent company. In addition to the initially set hypothesis, in the context of this case study the parent company was subdivided into telecommunication business and digital solutions developed by MTS ecosystem divisions, which influences the introduction of innovative practices from technological spin-off. Schematic visualization of the research results reflecting the main components of the approach to the use of technological spin-off corporate culture as a strategic tool for parent company's innovation culture is presented in Figure 1.

Figure 1: Schematic visualization of the approach of using technological spin-offs' corporate culture as a strategic instrument for fostering parent company's innovation culture.



Source: composed by the author based on the results of the study.

The following complementary recommendations can be formed in addition to the approach designed for its further implementation:

- Hiring employees with relevant experience and soft skills that will serve the basis for the introduction and development of innovative cultural practices in the company;
- Maintaining a closer format of interaction between the parent company and its technology division after its final separation into an independent subsidiary / vertical, while maintaining a sufficient level of autonomy in order to ensure the possibility of innovative cultural elements passing to the parent company, and the specifics of innovative solutions being suitable and consistent within the parent company's business processes;
- Taking into account local organizational and regulatory specifics to ensure that innovative elements introduction does not compromise the current state of the company and development direction, causing a conflict between stability and excessive pursuit of development.

The main conclusion of the study can be characterized with a high degree of probability of transition of certain cultural practices from technological spin-off to parent company if the appropriate tools are provided. The probability of survival of innovative elements and, accordingly, the degree of influence of spin-off culture on the innovativeness of the parent company depends on a number of factors, including the characteristics of the element to be transferred, organizational, regulatory and business specifics of the unit adopting innovative practices.

The fundamental differences between companies under consideration should be taken into account when addressing the issue of developing innovation culture. When it comes to innovation, the parent company primarily thinks about stability and reliability issues, which conflicts with a number of characteristics of the subsidiary's corporate culture. MWS, meanwhile, follows cultural and technological trends in order to keep up with competitors and provide value to the ecosystem. Therefore, the main difficulty and specificity of the approach considered is the need to balance the boost of innovation culture and the stable company performance by implementing spin-off's cultural characteristics minimizing the conflicts of “trends” and “reliability”.

Conclusion

This study provided a review, evaluation and specification of an alternative approach to the innovation culture development within a corporation. Through the scientific literature analysis on such topics as innovation and corporate culture of companies, technological subsidiaries establishment, as well as interaction of parent companies with affiliated spin-offs, a number of preconditions for the research hypothesis formulation were highlighted. Such preconditions included variety of interaction directions between a parent corporation and its technological spin-off and inter-element complementarity of corporate and innovation cultures and direct influence of corporate culture on the company's innovation climate.

The hypothesis consisted in the possibility of revealing an additional role of spin-off companies beyond that stated in the research existed and realized in business practice (for instance, R&D outputs commercialization, engaging areas with a potential future interest, increasing overall market competitiveness, etc.). The novel function under consideration is characterized by the possibility of boosting parent organization's innovation culture through interaction and cooperation, resulting in a favorable impact on the innovation maturity development.

The methodology developed in order to validate the hypothesis implied the consideration of a practical case, where MTS Group was selected on the basis of predetermined criteria (a significant presence in the industry; innovation-driven objectives or strategic focus on technological development; operation of a technological spin-off; practical and strategic relevance, etc). The choice of a particular company, currently undergoing a technological transformation and, at the same time, which has not yet completed the technological division's separation into a fully independent business vertical, made it possible to identify a number of mechanisms linking the two companies and ensuring the transfer of cultural elements to the parent company. Importantly, in this case, the technological spin-off is operated sufficient independency at the same time, crucial to form a distinct and unique cultural environment. Both of these characteristics made it possible to test the hypothesis on the company selected and to formulate an approach to the technological spin-off's transformation into a strategic tool strengthening parent company's innovative maturity.

The case study analysis structure implied several thematic blocks that resulted in a unified strategic approach to the development of the company's innovative culture formulation. The research hypothesis was primarily based on assumptions on the emergence of unique

and non-identical to parent company's ones cultural characteristics in technological divisions and subsidiaries. For this reason, answering the first research question of the study, the corporate culture specifics of MWS were initially considered, followed by a comparative analysis with the innovative culture of MTS PJSC development degree, which allowed to identify and classify unique elements of corporate culture of the spin-off, previously not listed in scientific works on the subject. The final technological spin-off's corporate culture elements list included: quickness of workflow; continuous learning; knowledge and experience sharing; the mindset and business flexibility/ agility; risk and failure acceptance; openness to innovation and change; external information and collaboration; involvement (incl. encouraging experimentation, creativity, ambitiousness, and proactive mindset); internal entrepreneurship; close collaboration and teamwork; people-orientation, employee motivation and reward; customer-centricity; leadership support to technological and innovation development; innovation development-oriented mission.

Answering the second research question on how does technological spin-off's corporate culture influence parent companies' innovation culture, the applicability of the elements identified to the corporation's innovation culture were assessed, and conclusions on whether these elements could be transmitted through the influence observed were made. Element classification was designed according to their transferability to parent company. As a result, the main technological spin-off's influence potential was observed within continuous learning, knowledge and experience sharing, involvement, close collaboration and teamwork, employee motivation and reward, customer-centricity. Finally, the barriers limiting this influence were revealed, depending on the unit under it, including inappropriate employee profile, organizational barriers, regulatory barriers, no need for innovations due to industry specifics, strategic prevalence of stability and security over innovations.

The last research question was addressed in the form of the framework of a unified concept, representing an approach to the consideration of the corporate culture of technological spin-off as a strategic tool for the development of corporate innovation culture. The approach designed included the mechanisms facilitating the organization of their systemic transfer, such as employee transition, knowledge and experience sharing, technological transfer and "contagion" effect, complemented by specific instruments that have demonstrated their applicability within the case considered.

The rationale of leveraging spin-offs' corporate culture as a business strategic asset from cultural perspective lies in the potential of facilitating management processes, resource

allocation and innovative business goals achievement, specified within Appendix 4 of the study. A novel dual-purpose approach to innovation and growth aligning the corporation's technological and cultural objectives will serve for more efficient way of innovation capacity enhancement, which was already partially demonstrated within the case under consideration.

The study was conducted with a number of limitations. The choice of qualitative methodology with the analysis of a single case allowed to examine the phenomenon in detail in its real-world context and to draw well-grounded conclusions. At the same time, generalization of the approach requires a larger number of companies consideration and more unified conclusions formation. For instance, it is reasonable to consider spin-offs with a greater and smaller degree of organizational independence and isolation from the parent company. It is also reasonable to consider the case selected in the future perspective in order to draw conclusions on the functioning of the mechanisms identified in a modified organizational environment.

Additional foreign cases should be covered for the purpose of multiple perspective research comprehensiveness and possibility to conduct a comparative analysis between countries' specifics within the discussed processes' scope. Since the study was conducted under limited opportunities of foreign respondents' attraction and timeframe, this issue remains for consideration in future research papers.

Further research can be focused on expanding the model developed by considering new inputs: additional areas of activity and economic sectors of companies, their product life cycle stage, regional specifics of business operations and other factors influencing the companies' innovation culture development.

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Appendix 1: Interview guide

Background information:

The role of the respondent in the company. Experience and relationship to the technological spin-off corporate culture and/or parent company innovation culture-related initiatives.

Block 1. Technological spin-off corporate culture and corporate innovation culture:

Version 1 (for parent companies' representatives)

- Could you describe the innovation culture of your company? What are its key characteristics?
- Evaluate the presence and degree of development of the following elements within your company's innovation culture:
 - Mission (shared values, strategy, beliefs; future orientation)
 - Learning (knowledge sharing, digitalization; learning orientation)
 - Involvement (teamwork and collaboration, participating decision-making; creativity; reward system; employee commitment; leadership)
 - Agility (empowerment and autonomy; resource allocation)
 - Openness (open communication; internal entrepreneurship; external search; external cooperation)
- Are there any specific practices reflecting innovation culture, not mentioned among the elements listed within previous questions?
- In my research, I consider the specifics of technological spin-off's corporate culture. From your perspective, how does the technological spin-off's corporate culture differ from the parent company's innovation culture?

Version 2 (for technological spin-offs' representatives)

- Could you describe the corporate culture of your company (technological spin-off)? What are its key characteristics?
- How could you characterize the following elements within technological spin-off's corporate culture: involvement, collaboration and teamwork, mission, consistency and adaptability (agility)?
- Evaluate the presence and degree of development of the following elements within your company's culture (a more detailed and specific focus on element's characteristics):
 - Mission (shared values, strategy, beliefs; future orientation)

- Learning (knowledge sharing, digitalization; learning orientation)
 - Involvement (teamwork and collaboration, participating decision-making; creativity; reward system; employee commitment; leadership)
 - Agility (empowerment and autonomy; resource allocation)
 - Openness (open communication; internal entrepreneurship; external search; external cooperation)
- Are there any specific practices reflecting the spin-off's corporate culture, not mentioned among the elements listed within previous questions?
 - How does the technological spin-off's corporate culture differ from the parent company's innovation culture?

Block 2.

Interaction between spin-off and parent company:

- How does technological spin-off interact with the parent company (tangible and intangible assets transfer / employee turnover / joint projects and activities / etc.)?
- Are there any formal or informal mechanisms serving the ground for the exchange of cultural practices between the spin-off and the parent company?

Influence of technological spin-off corporate culture on parent company's innovation culture:

- In your opinion, has the spin-off's corporate culture influenced the parent company's innovation culture so far? If so, how? If no, why?
- Can you provide specific examples of how the spin-off's culture has impacted the parent company's approach to innovation (e.g., new processes, mindset shifts, etc.)? // If no, is it possible to such kind of impact to happen?

Block 3.

Strategic use of spin-off corporate culture:

- Do you find technological spin-off's corporate culture as a potential strategic tool to enhance the parent company's innovation culture? Why or why not?
- What mechanisms or practices could be used to transfer cultural elements from the spin-off to the parent company (e.g., employee exchange programs, joint projects, etc.)?
- Are there any existing initiatives or programs aimed at integrating the spin-off's culture into the parent company's innovation culture?

Final thoughts:

- Is there anything else you would like to add regarding the influence of the spin-off's corporate culture on the parent company's innovation culture? Are there any other aspects of this topic that you believe are important to consider?

Appendix 2: Coding glossary (extended)

Number of code	Name of code	Name of sub-code	Description
1	Parent company's innovation culture	Mission	Strategic values guiding company's innovation development employee behavior; Aspiration for technological advancement and "keeping up with the times" in terms of future orientation.
		Learning	Knowledge sharing and development, educational practices digitalization, emphasis on employees' innovation and technology-oriented skills development
		Involvement	Teamwork and collaborative attitudes between employees at various levels, participative decision-making, creativity incentives development, reward systems stimulating and promoting entrepreneurship and innovative behaviour; Innovation development-oriented leadership and employee motivation, high individual impact potential.
		Agility	Ability to undergo dynamic changes at different levels, decentralized decision-making, dynamic resource allocation and employee reorientation and repositioning.
		Openness	Internal and external communication and information turnover, entrepreneurial mindset development, innovation-oriented collaboration with partners (e.g., startups, academia).
2	Technological spin-off's corporate culture	Mission	Strategic values guiding company's development direction and employee behavior.
		Involvement	Participative and inclusive decision-making, reward systems for employee stimulation and motivation, high individual impact potential and employee empowerment at various levels.

		Consistency and adaptability (agility)	The ratio of stability and rigidity with rapid pivoting to market and technological changes within a company; Ability to undergo dynamic changes at different levels.
		Collaboration and teamwork	Cross-functional cooperation and teamwork, cross-department joint projects realization, value creation through shared goals and incentives, openness and mutual assistance within employees, bureaucratic barriers reduction for staff interaction.
		Leadership	Leadership vision, top-down values and behavior diffusion, reflected in company's development direction.
		Other	Other elements appearing through the analysis path
3	The difference between technological spin-off's corporate culture and parent company's innovation culture		Distinct elements determining technological spin-off's corporate culture, which cannot be observed within parent company's innovation culture and vice versa.
4	Technological spin-off and parent company's interaction forms as potential cultural practices exchange mechanisms	Employee transition	Talent mobility between entities / departments.
		Knowledge, information, industry asset and resource transfer	Systematic exchange of proprietary data, intellectual capital, technological tools, and operational resources between parent company and technological spin-off.
		Joint activities (joint projects, cross-functional teams operations, etc.)	Coordinated organization and implementation of joint projects between parent company, technological spin-off and their specific departments, aimed at developing joint products, events, etc.
		Technological transfer	Technological products and solutions transfer to the parent company from its technological spin-offs.
		Educational incentives	Joint or individually developed training programs aimed at stimulating and building knowledge and competence.
5	The influence of technological spin-off's corporate culture on companies' innovation culture		Changes in the parent company's innovation culture due to the innovation-oriented vision, behaviour and practices transfer from the technological spin-off,

			potentially stimulating its innovation maturity.
6	Technological spin-off's corporate culture as a strategic influence of parent company's innovation culture development	Possibility and rationale of using technological spin-off's corporate culture as a strategic instrument	The possibility and rationale of considering technological spin-offs as an instrument of parent company's innovation maturity enhancement at strategic level.
		The mechanisms of a strategic tool	The instruments of transferring technological spin-offs' cultural practices to parent company.

Source: composed by the author.

Appendix 3: Technological spin-off's corporate culture and parent company's innovation culture comparison

Element	Technological spin-off's corporate culture	Parent company's innovation culture
Mission (shared values, strategy, beliefs; future orientation)	“Technological principles” focused on continuous learning, internal technological and innovative development and implementation	Customer-centricity and highly productive environment development, the importance of business and employee continuous development
Learning	A set of digitalized educational platforms, programs, formats and approaches to personnel training; own set of educational programs with a predominantly technological and applied orientation; educational events to broaden horizons and understand current market trends	Educational platforms, programs, and approaches of different formats with a high degree of digitalization, a gap in entrepreneurial and innovation-oriented skills training
Involvement	Motivation, engagement and creativity, employee ambition, involvement-directed educational tracks, including those initiated by managers; attention to relevant skills in hiring	Lack of centralized management, which makes the involvement chaotic and scattered, low overall level of development; appears due to personal initiative of employees, professional characteristics and position specificity; complexity of incentives at the level of motivation and evaluation mechanisms and tools; creative skills of applicants are not a priority
Collaboration & Teamwork	Developed interaction is implied by the specifics of product processes in the company; interaction between teams to	Lack of a centralized collaboration management strategy makes it chaotic and disparate, low overall level of development; manifested

	share experience; cross functional projects realization; specialized centers for interaction regulation	on the personal initiative of individual employees, bureaucracy and formalism makes communication difficult; lack of incentive and monitoring tools; lack of incentives for interaction aimed at innovative ideas generation and development
Leadership	The specifics of the company leaders' vision defines the direction of MWS development as highly innovation and continuous technological improvement-oriented	Challenging process of aligning innovation projects with company leaders; dissemination of practices relies heavily on leaders who are not always positively disposed to innovation
Openness	Essential part of the business process: competitors' experience, successful cases, customers' needs; constant work of M&A deals; proactive engagement with startups	Personal initiative and motivation, lack of a unified course of external search for innovation, no practical tools to approach promotion and employee stimulation, lack of awareness of opportunities within the company; organizational constraints
Internal entrepreneurship	Own specialized development center, present employee incentive; entrepreneurial skills stimulation and development; active and fast MVP development and product launch; no centralized stimulation mechanisms	Complex and difficult implementation; difficulties in motivating employees under high workload; no tangible and intangible rewards; lack of worthwhile ideas due to low level of knowledge and practical skills of employees; problems with mechanisms for collecting, filtering, selecting and implementing initiatives
Agility	A must-have aspect embedded in the business model due to the	Level varies depending on the specific department/team; position

	high level of uncertainty, speed and constant process re-engineering	of the leader, internal and external regulators specific to a particular area and product; lack promotion and motivation tools; low flexibility due to inertia, rigidity and stability of a large structure; some flexibility in digital products; specific departments and mechanisms to change processes for innovation-oriented projects development
Client-centricity	Customer-centricity-oriented values and strategic directions, high level of internal and external customer orientation	Customer-centricity-oriented mission and values of the company, high level of internal and external customers orientation
Quickness of workflow	High pace of work, communication and decision-making due keeping up with rapid technological advances	Limited speed due to rigidity, organizational complexity and other factors
Risk and failure acceptance	Unavoidable and accepted aspect of agile business approach when hypotheses are constantly tested; unsuccessful experience sharing to compensate failure possibility	Non-compliance of the element with the key principles of the company's operations
Employees' motivation and reward systems	System of short-term and long-term non-financial <i>motivation</i> , incorporating both efficiency in current tasks performance and innovation-oriented behavior; no tangible stimulation and reward instruments for innovative and entrepreneurial incentives	Employee monitoring and rewarding within the KPi system on current operational tasks

Source: composed by the author based on open data analysis and expert interviews.

Appendix 4: Areas of technological spin-offs corporate culture elements' influence and parent company's barriers, challenging it

Technological spin-off corporate culture element	Area of influence within parent company	Factors determining the influence / impact
Innovation-oriented mission	Adjusting company's mission, strategy and business direction based on current market trends and prioritizing self-actualization and moving forward	leadership non-acceptance; business stability and forward movement and innovations balance;
Knowledge and experience sharing	Development of a tendency of broadcasting both positive and negative experience of innovation projects at all levels, development of accompanying tools and organizational practices	thematic and organizational inconsistency with the current objectives and processes, goals and strategy; non-practicability of innovations in a particular segment/product; non-flexible and inappropriate employee profile;
Continuous learning	Further dissemination and prioritization of human resources development, expansion of training formats and topics, including those aimed at developing employees' horizons and entrepreneurial skills	non-flexible and inappropriate employee profile; non-practicability of innovations in a particular segment/product;
Involvement	Development of a centralized approach to stimulating, developing and encouraging employees' creativity and engagement beyond their job responsibilities and existing mechanisms and regulations for their fulfillment	non-flexible and inappropriate employee profile
Close collaboration and teamwork	Developing a centralized approach to incentivize, foster, and encourage stronger employee engagement at the team, unit, company, and ecosystem levels.	non-flexible and inappropriate employee profile

Leadership support for technology and innovation	Building commitment to change and development among leaders at all levels; encouraging innovative behavior among employees by their leaders; facilitating alignment and implementation of initiatives with higher authorities	non-practicability of innovations in a particular segment/product; internal and external regulators, governmental and legal restrictions; thematic and organizational inconsistency with the current objectives and processes, goals and strategy ; leadership non-acceptance
Openness	Dissemination of market analysis and external information search tools among employees; encouraging and stimulating proactive openness to innovation and change, systematic organization of external collaboration	leadership non-acceptance; internal and external regulators, governmental and legal restrictions; business stability and forward movement and innovations balance; non-flexible and inappropriate employee profile
Internal entrepreneurship	Openness to internal initiatives, financial and organizational capacity to support and implement bottom-up initiated projects	thematic and organizational inconsistency with the current objectives and processes, goals and strategy; leadership non-acceptance; non-practicability of innovations in a particular segment/product; non-flexible and inappropriate employee profile;
Mindset and business flexibility / Agility	Improved acceptance and implementation of changes to established strategies, processes and thinking patterns	non-flexible and inappropriate employee profile; leadership non-acceptance; non-practicability of innovations in a particular segment/product;
Customer-centricity	Continuous improvement of products and services to enhance customer experience	leadership non-acceptance; internal and external regulators, governmental and legal restrictions; non-practicability of innovations in a particular segment/product;

		business stability and forward movement and innovations balance;
Quickness of workflow	Minimizing barriers to faster issue resolution and development and implementation of innovative products approval	internal and external regulators, governmental and legal restrictions; non-flexible and inappropriate employee profile; business stability and forward movement and innovations balance;
Risk and failure acceptance	Developing a culture of normalizing unsuccessful experiences and projects as an essential aspect of innovation processes and an engine of progress	internal and external regulators, governmental and legal restrictions; non-flexible and inappropriate employee profile; leadership non-acceptance; business stability and forward movement and innovations balance;
Employee motivation and reward	A set of projects and incentives aimed at non-tangible stimulation and reward of employee innovation-oriented practices and behavior	leadership non-acceptance; non-practicability of innovations in a particular segment/product;

Source: formed on the basis of the expert interviews.